



COUNTY OF LOS ANGELES

DEPARTMENT OF PARKS AND RECREATION

"Creating Community Through People, Parks and Programs"

Russ Guiney, Director

January 25, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**LICENSE AGREEMENT FOR THE
OPERATION AND MAINTENANCE OF THE EQUESTRIAN CENTER
AT THE FRANK G. BONELLI REGIONAL PARK
(SUPERVISORIAL DISTRICT 5) (3 VOTES)**

SUBJECT

This action is to approve the award of a License Agreement for the operation and maintenance of the Equestrian Center at Frank G. Bonelli Regional Park.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed License Agreement is categorically exempt from the provisions of the California Environmental Quality Act according to Sections 15301 and 15323 of the State California Environmental Quality Act Guidelines and Classes 4 (j) and 23 of the Environmental Document Reporting Procedures and Guidelines, adopted by your Board on November 17, 1987, because the agreement provides for licensing and normal operations on existing facilities.
2. Approve and instruct the Chair to sign a 15 year License Agreement with Talking Horse Equestrian Center, Inc., for the operation and maintenance of the Equestrian Center at Frank G. Bonelli Regional County Park. The License Agreement has an initial 15 year term, with one five year optional extension. The term of the License Agreement will commence on the first day of the month following the Board of Supervisors' approval. The License Agreement will provide revenue of no less than \$12,000 each year during the initial 15 year term.
3. Authorize the Director of the Department of Parks and Recreation to suspend, terminate, or assign the License Agreement, if deemed necessary, in accordance with the approved terms and conditions

of the License Agreement.

4. Authorize the Director of the Department of Parks and Recreation to exercise the five year renewal, if in the opinion of the Director of the Department of Parks and Recreation, the Licensee Agreement has performed successfully during the previous contract period.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to provide a 15 year license agreement with an optional five year renewal period to Talking Horse Equestrian Center, Inc. (Talking Horse), for the operation and maintenance of the Equestrian Center at Frank G. Bonelli Regional Park (Equestrian Center). Approval of the License Agreement (Agreement) will allow Talking Horse to promote and enhance recreation equestrian services to the public through riding lessons for beginners, intermediate, and advanced riders; summer horse camps for youth groups; horse clinics; weekly and daily trail rides; and a therapeutic riding program for autistic children.

The Frank G. Bonelli Regional Park (Bonelli Park) is a primary recreational facility for residents of the San Gabriel and Pomona Valleys and attracts an estimated one million visitors annually. Current services/amenities at Bonelli Park include a 250 acre lake; 5 miles of shoreline; 14 miles of trails for equestrian; biking and hiking activities; large and small group picnic areas; fishing; boating; swimming; recreational vehicle and tent camping areas; comfort stations; park office; ample parking; equestrian center; a hot tub concession; and the Raging Waters theme park.

In May 2000, the Department of Parks and Recreation (Department) awarded a ten year Agreement to Ardis Kemp, who assigned the Agreement to Andy Mitchell in May 2005. That Agreement expired on April 30, 2010. Prior to the expiration of the Agreement, the Department offered Mr. Mitchell the opportunity to operate and maintain the Equestrian Center on a month-to-month basis, pending completion of the solicitation process. Mr. Mitchell declined to continue services beyond the term of the Agreement. As a result and in an effort to keep the Equestrian Center open to the public, the Department, in collaboration with Internal Services Department and after the issuance of a Statement of Qualifications, issued a Purchase Order for the temporary operation of the Equestrian Center. The Purchase Order is on a month to month basis and will expire March 31, 2011. The temporary operator will be provided notified with written notification of the termination of the purchase order upon approval by the Board of this agreement.

Implementation of Strategic Plan Goals

The proposed Agreement with Talking Horse will further the County's Strategic Plan Goals of Operational Effectiveness (Goal 1), by increasing revenues and providing funding for infrastructure improvements at the equestrian center, and Community and Municipal Services (Goal 3), by offering accessible, affordable and quality equestrian related services and activities to the surrounding communities.

FISCAL IMPACT/FINANCING

Pursuant to the terms of the Agreement, Talking Horse shall pay the County on a monthly basis, an amount equal to the greater of: 1) the minimum rent; or 2) the sum of the percentages of the total gross receipts received in connection with the operation of the equestrian center. The monthly minimum rent shall be adjusted every two years during the term of the Agreement but only in a

manner that increases the minimum rent amount.

Commencing with the second year of the term of the Agreement and in addition to the monthly rent, Talking Horse shall pay \$500 per month for electrical and water usage at the facility.

Additionally, the proposed Agreement with Talking Horse includes a requirement that Talking Horse fund \$472,000 in various capital improvement projects during the first nine years of the initial term of the Agreement in order to provide better quality equestrian activities and horse boarding facilities.

Operating Budget Impact

Based on the minimum rent, the Department does anticipate an immaterial revenue decrease to its operating budget over the term of the Agreement. This is due to a new feature in this Agreement to divert a certain percentage of rent revenue towards a capital improvement projects account. However, the Department may receive additional revenue to offset to this decrease if the Concessionaire's percentages of the total gross receipts is greater than the minimum rent.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Board is authorized by the provision of Government Code Section 25907 to contract for license agreement and services that are consistent with public park and recreation purposes within Bonelli Park. The proposed Agreement is consistent with said purposes.

The initial term of the Agreement at Bonelli Park is for 15 years and includes a provision whereby the Director of the Department may extend the Agreement for up to one five-year renewal option period. The Director may exercise the options if, in his opinion, Talking Horse is in compliance with all of the terms and conditions stated in the Agreement. The Agreement contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Responsibility and Debarment, Los Angeles County Code Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; the Defaulted Property Tax Reduction Program, Los Angeles County Code 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Talking Horse has executed the attached Agreement and will provide the required insurance policies prior to the start of this Agreement naming the County as an additional insured.

County Counsel has approved the Agreement as to form.

ENVIRONMENTAL DOCUMENTATION

The proposed Agreement is categorically exempt from the California Environmental Quality Act (CEQA) in accordance with Sections 15301 and 15323 of the State CEQA Guidelines and Classes 4(j) and 23 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, because the agreement provides for licensing and normal operations on existing facilities.

CONTRACTING PROCESS

On March 8, 2010, the Department issued a Request for Proposal (RFP) for the operation and maintenance of the Equestrian Center at Bonelli Park by posting the RFP on the County's "Doing Business with Us" website. The website included a link to download the solicitation package and bilingual instructions on how to contact the Department regarding this project.

On May 25, 2010, the RFP was cancelled due to operational issues with the then current operator. On June 8, 2010, the Department re-issued the RFP and posted the solicitation on the County's "Doing Business with Us" website. On June 10, 2010, the Department held a second Proposers Conference and revisited the site to allow Proposers to re-inspect the premises.

On July 7, 2010, the Department received four proposals. The proposals were reviewed by Contract Development Staff to ensure compliance with mandatory minimum requirements outlined in the RFP. Having met those requirements, four proposals were then evaluated by an evaluation panel. The panel consisted of two Department employees and one professional in the equestrian industry.

Using the Informed Averaging Scoring methodology, the evaluation panel reviewed each proposal based on the criteria identified in the RFP, which included business experience and qualifications, rent to the County, service and maintenance programs, capital improvements, and the ability to operate and maintain an equestrian facility. Based on these evaluations, Talking Horse was determined to have met all requirements and was rated as the highest ranked proposer for the operation of the Equestrian Center at Bonelli Park.

Three proposers requested and received a debriefing of their scores. On October 6, 2010, the Department received one Request for a Contractor Selection Review. On November 15, 2010, the Department received a Request for a County Review Panel. Accordingly, on November 22, 2010, the Department requested that the Department of Internal Services (ISD) convene a County Review Panel. On January 6, 2011, the County Review Panel found no evidence or factual basis to support the assertions made by the protester, and determined that the Department complied with all County policies and procedures related to the solicitation process. The final confirming report from the Chair of the County Review Panel will be forwarded to the Department within ten days from the hearing date.

Attachment I reflects the Proposer's minority participation. It should be noted that upon final analysis and award, Talking Horse was selected without regard to gender, race, creed, or color.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of this Agreement will not infringe on the role of the County in its relationship to its residents, and the County's ability to respond to emergencies will not be impaired. There is no change in risk exposure to the County as a result of awarding this Agreement.

CONCLUSION

It is requested that an adopted copy of the action taken by the Board, and a fully executed copy of the attached Agreement be mailed to: Talking Horse Equestrian Center, Inc., Attention: Mark Blakey, 635 South First Avenue, Covina, CA 91723. In addition, it is requested that one adopted

The Honorable Board of Supervisors

1/25/2011

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copy be sent to the Treasurer and Tax Collector, one adopted copy be sent to the Assessor, and three adopted copies be forwarded to the Department of Parks and Recreation.

Respectfully submitted,



RUSS GUINEY

Director

RG:JW:KEH:

GAB:CM:MG:rc

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

County of Los Angeles - Community Business Enterprise (CBE) Program

Request for Local SBE Preference Program Consideration and CBE Firm/Organization Information Form

INSTRUCTIONS: All Proposers/Bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM

FIRM NAME: Talking Horse Equestrian Center, Inc.

- I AM NOT A Local SBE certified by the County of Los Angeles Office of Affirmative Action Compliance as of the date of this proposal/bid submission.
- I AM
- As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.

My County (WebVen) Vendor Number: 15385301

II. FIRM/ORGANIZATION INFORMATION The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to gender, race, creed or color.

Business Structure: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Franchise <input type="checkbox"/> Other (Please Specify): _____						
Total Number of Employees (including owners)						
Race/Ethnic Composition	Owners/Partners/Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black / African American						
Hispanic / Latino						
Asian or Pacific Islander						
American Indian/ Alaskan Native				X		
Filipino American						
White			X	X		

III. PERCENTAGE OF OWNERSHIP IN FIRM Please indicate by percentage (%) how ownership of the firm is distributed.

	Black / African American	Hispanic/ Latino	Asian or Pacific Islander	American Indian/ Alaskan Native	Filipino American	White
Men	%	%	%	%	%	%
Women	%	%	%	%	%	%

IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES If your firm is currently certified as a minority, women, disadvantaged or disabled veteran business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form if necessary.)

Agency Name	Minority	Women	Dis-advantaged	Disabled Veteran	Expiration Date

V. DECLARATION I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.

Authorized Signature 	Title President	Date 6/28/10
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**CONCESSION
AGREEMENT**



BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

TALKING HORSE EQUESTRIAN CENTER, INC.

FOR THE

OPERATION AND MAINTENANCE

OF THE

EQUESTRIAN CENTER

AT THE

FRANK G. BONELLI REGIONAL COUNTY PARK

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**CONCESSION AGREEMENT FOR THE
OPERATION AND MAINTENANCE OF THE EQUESTRIAN CENTER
AT THE FRANK G. BONELLI REGIONAL COUNTY PARK**

THIS AGREEMENT, made and entered into this _____ day of _____, 2010,

BY AND BETWEEN

COUNTY OF LOS ANGELES, a
body corporate and politic,
hereinafter referred to as
"County",

AND

**TALKING HORSE EQUESTRIAN
CENTER, INC.**, a Nevada
Corporation, hereinafter referred to
as "Concessionaire",

RECITALS

WHEREAS, the Board of Supervisors is authorized by the provision of Government Code Section 25907 to contract for concessions and services that are consistent with public park and recreation services; and

WHEREAS, a concession for the provision of equestrian center services is consistent with said purposes; and

WHEREAS, Concessionaire is willing to exercise the grant of such a concession in accordance with the terms and conditions prescribed therefore; and

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto and each of them do agree as follows:

1.0 DEFINITIONS

1.1 The headings herein contained are for convenience and reference only and are not intended to define or limit the scope of any provision thereof.

- 1.2 The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used:
- 1.2.1 **Agreement Year:** The 365 day period commencing on the first day of month following approval by the Board of Supervisors which date shall become the effective date of this agreement and each following 365 day period thereafter throughout the term of this agreement.
 - 1.2.2 **Approval or Disapproval by the Director:** Notification in writing that the subject matter under review by the Director has been disapproved or approved on the conditions stated.
 - 1.2.3 **Auditor-Controller:** The Auditor-Controller of the County of Los Angeles or an authorized representative thereof.
 - 1.2.4 **Building Official:** The Director of the County of Los Angeles Department of Public Works or an authorized representative thereof.
 - 1.2.5 **Concession:** The privilege of engaging in the commercial activities authorized herein on the public property designated therefor.
 - 1.2.6 **County:** The County of Los Angeles.
 - 1.2.7 **Director:** The Director of the County of Los Angeles Department of Parks and Recreation or an authorized representative thereof.
 - 1.2.8 **Equestrian Center:** The stalls, riding arenas, tack sheds, barns, and other equestrian related structures and appurtenances comprising the Equestrian Center.
 - 1.2.9 **Gross Receipts:**
 - a. Except as specifically provided by policy statement issued by the Director, the term "gross receipts" as used in this Agreement, is defined to be all money, cash receipts, assets, property or other things of value, including but not limited to gross charges, sales, rentals, fees and commissions made or

earned by Concessionaire and/or all the assignees, subcontractors, licensees, permittees or Concessionaires thereof, whether collected or accrued from any business, use or occupation, or any combination thereof, originating, transacted or performed in whole or in part, on the concession premises, including but not limited to rentals, the rendering or supplying of services and the sale of goods, wares or merchandise.

- b. Except as specifically provided below or by policy statement issued by Director, there shall be no deduction from gross receipts for any overhead or cost or expense of operations, such as, but without limitation to salaries, wages, costs of goods, interest, debt amortization, credit, collection costs, discount from credit card operations, insurance and taxes. Bona fide bad debts actually incurred by Concessionaire or its sublessees, assignees, licensees, Contractors and permittees may be deducted from gross receipts. There shall, however, be no deduction for bad debts based on past experience or transfers to a bad debt reserve. Subsequent collection of bad debts previously not reported as gross receipts shall be included in gross receipts at the time they are collected.
- c. Except as specifically provided below or by policy statement, gross receipts reported by Concessionaire and its sublessees, assignees, licensees, Contractors and permittees, must include the full usual charges for any services, goods, rentals or facilities provided by Concessionaire or its sublessees, assignees, licensees, Concessionaires or permittees. Gross receipts shall not include direct taxes imposed upon the consumer and collected therefrom by the Concessionaire such as, but not limited to, retail sales taxes, excise taxes, or related direct taxes, which are direct taxes paid periodically by

Concessionaire to a governmental agency accompanied by a tax return statement.

d. The Director, by policy statement, consistent with recognized and accepted business and accounting practices, and with the approval of Auditor-Controller and County Counsel, may further interpret the term "gross receipts" as used in this Agreement.

1.2.10 **Gross Sales Price:** The total consideration resulting from the transfer of Concessionaire's interest in the concession, or portion thereof, determined by the total cash payments and the market value of all non-cash consideration, including, but not limited to, stocks, bonds, deferred payments, secured and unsecured notes, and forbearances regarding claims and judgments.

1.2.11 **Park Superintendent:** County staff, located on site at the Frank G. Bonelli Regional Park Office, responsible for the general operation and maintenance of the park.

1.2.12 **Operational Year:** The twelve calendar months commencing with the first calendar month following the approval of the Agreement by the Director.

1.2.13 **State:** The State of California.

1.2.14 **Sublease:** Any lease, license, permit, concession or other interest in the premises that is granted by Concessionaire to a third party.

1.2.15 **Use Granted:** The privilege of engaging in the commercial activities authorized herein on the public property designated therefor.

2.0 USE GRANTED

2.1 Concessionaire is hereby authorized and required to operate and maintain an equestrian center concession to include the following: 1) rental of horses; 2) provision of year round boarding facilities for horses. Concessionaire is hereby also authorized to: 1) provide rides using horse-drawn wagons, carriages, etc.; 2) sell clothing, equipment, and other miscellaneous merchandise relevant to equestrian services and activities;

3) rent and repair equestrian equipment; 4) sell prepackaged food and non-alcoholic beverages; 5) provide and charge for the provision of equestrian instructional and training services; 6) provide and charge for roping, sorting, and penning activities and riding instructions; 7) sell horses; and 8) host, provide and charge for horse camps, trail rides and horse clinics.

2.2 The equestrian services provided by Concessionaire shall be exclusive within the confines of the concession premises as shown in Exhibit A, and shall not preclude the County from granting other concessions providing for the needs of the public at Frank G. Bonelli Regional Park.

2.3 Concessionaire understands and agrees that this Agreement is by license and not lease; confers only permission to occupy and use the concession premises described for prescribed purposes in accordance with the terms and conditions hereinafter specified without granting or reserving to Concessionaire any interest or estate therein; the expenditure of capital and/or labor in the course of use and occupancy thereunder shall not confer any interest or estate in the premises by virtue of said use, occupancy and/or expenditure of money thereon; and it is the intention of the parties to limit the right of use granted herein to a personal, revocable and unassignable privilege of use in the premises for the concession granted herein.

3.0 CONCESSION PREMISES

3.1 The concession shall be conducted within the Equestrian Center and the roping arena, as shown on the attached Exhibit A.

3.2 The concession premises shall be used only and exclusively for purposes authorized herein and such other purposes as are related thereto provided express approval therefore is granted by the Director, and for no other purposes whatsoever.

3.3 Concessionaire acknowledges personal inspection of the concession premises and the surrounding area and evaluation of the extent to which

the physical condition thereof will affect its operations. Concessionaire accepts the concession premises in their present physical condition, and agrees to make no demands upon County for any improvements or alterations thereof.

- 3.4 Any improvements, additions, alterations, or changes to the concession premises shall become the property of the County; and shall be subject to: **prior approval** by the Director and the Department's Planning & Development Division; securing of applicable permits by Concessionaire; and compliance with such terms and conditions as may be imposed by the Director. All construction shall be at Concessionaire's expense.
- 3.5 Concessionaire hereby acknowledges the title of the County, and/or any other public agencies having jurisdiction there over, in and to the premises and the improvements located thereon, and covenants and agrees never to assail, contest or resist said title.
- 3.6 **Ownership of Improvements:** Ownership of all structures, buildings or improvements constructed, installed, added, or otherwise procured by Concessionaire upon the concession premises and all alterations, additions or betterment's thereto, **shall become the property of the County** without compensation being paid therefore, subject to the rights granted to the Concessionaire hereinabove, upon termination thereof, whether by expiration of the term, cancellation, forfeiture or otherwise. The Director, in his sole discretion, may require the Concessionaire to remove at its sole expense said structures, buildings, improvements, alterations, additions, and/or betterments, upon written notice ninety (90) days prior to the date of termination of this Agreement. Should Concessionaire fail to remove said structures, buildings and improvements, same may be sold, removed or demolished, and Concessionaire shall reimburse County for any cost or expense in connection therewith in excess of any consideration received by County as a result of said sale, removal or demolition.

4.0 TERM OF AGREEMENT

- 4.1 The term of the Concession Agreement shall be for a period of fifteen (15) years, unless terminated sooner or extended, as provided for in this Agreement, and shall commence on the first day of the month following the approval thereof by the Board of Supervisors.
- 4.2 The term of this Concession may be extended by the Director, in his sole discretion, for a period of five (5) years, provided: 1) the Concessionaire has satisfactorily completed, as confirmed by the Director, the proposed capital improvements of this Agreement as stated in Exhibit B (Proposer's Capital Improvements); and 2) the Concessionaire is in compliance with all other provisions of this Agreement. Notice of said extension shall be in writing, and delivered to Concessionaire at least ten (10) days prior to the expiration of the initial term.

5.0 CONSIDERATION

- 5.1 In consideration for the use granted herein, the Concessionaire shall pay the County a monthly amount equal to the greater of: 1) the monthly minimum of One Thousand Dollars (\$1,000); **or** 2) the sum of the percentages of the total monthly gross receipts received from the following authorized activities:
- Five percent (5%) of the monthly gross receipts received from the boarding of horses;
 - Five percent (5%) of the monthly gross receipts received from the renting of horses;
 - Five percent (5%) of the monthly gross receipts received from the training of horses and riding lessons/instructions;
 - Ten percent (10%) of the monthly gross receipts received from the sale of prepackaged food and non-alcoholic beverages;
 - Five percent (5%) of the monthly gross receipts received from the sale of horses;
 - Five percent (5%) of the monthly gross receipts received from the sale of equestrian related merchandise and any miscellaneous sales;

- Five percent (5%) of the monthly gross receipts received from the repair/rental of equestrian related equipment;
 - Five percent (5%) of the monthly gross receipts received from trailer storage;
 - Ten percent (10%) of the monthly gross receipts received from horse clinics and camps;
 - Five percent (5%) of the monthly gross receipts received from roping activities/lessons/instructions
 - Two percent (2%) of the monthly gross receipts received from boarding services provided to boarders
- \$150 per event for roping, penning, sorting and other equine events.

5.2 Beginning the **Second Year and continuing through the end of the term and extension period, if any**, the Concessionaire's shall submit a monthly amount of Five Hundred Dollars (\$500.00) toward the cost of utilities (water and electricity), in addition to the minimum rents established herein. County may install or cause to be installed separate metering systems for water and power services to the Equestrian Center. At such time, Concessionaire shall establish accounts in its own name and Concessionaire shall be solely responsible for all costs incurred and payments of water and electricity.

5.3 The monthly minimum amount provided for above shall be subject to readjustment commencing with the **third year** of Concessionaire's operation pursuant to this Agreement and at the end of **each two (2)** year period thereafter for the remainder of the term and extension period, if any, herein provided. **At no time shall the adjusted monthly minimum amount be less than the preceding year's monthly minimum amount.** The formula to be used in determining the adjusted monthly minimum rent shall be eighty percent (80%) of the average of the previous two (2) years of percentage rental paid to the County by the Concessionaire, then dividing the product by twelve (12). For example, assume that the percentage rental paid for the first year under review is \$15,500 and the second year under review is \$15,000. Based on this assumption, the

adjusted monthly minimum would be \$1,016.66 per month, because this is the amount that is the result of applying the percentage rental paid for the two (2) years under review, adding them together (\$15,500 + \$15,000 = \$30,500), dividing that total by two ($\$30,500/2 = \$15,250$), multiplying that figure by eighty percent (80%) ($\$15,250 \times 0.80 = \$12,200$) and then dividing by twelve ($12,200/12 = \$1,016.66$).

- 5.4 **Capital Improvement Fund:** Upon approval of this Agreement, the County's Auditor-Controller shall establish an interest-bearing Capital Improvement Fund for the Equestrian Center (Fund). The Fund shall name, and be administered by, the County as the sole trustee in order to provide for continued funding for capital improvement projects at the Frank G. Bonelli Regional Park. The County shall deposit twenty percent (20%) of the Concessionaire's monthly rent payments in the Fund. The distribution of monies deposited and any interest earned thereon shall be: (a) used exclusively at Frank G. Bonelli Regional Park Equestrian, and (b) disbursed at the discretion of the Director pursuant to Subsection 8.12 hereinafter. At the termination of this Agreement, all unexpended monies shall be retained by the County.
- 5.5 **New Activity Percentage:** When the Director and Concessionaire find that with regard to a particular activity not otherwise provided for herein, the Director at his sole option may authorize said activity and establish a percentage of gross receipts and/or a minimum amount as payment for the privilege of engaging therein. Said percentage and/or minimum amount shall not be less than Five Percent (5%) and may be higher. The actual amount shall be set by mutual consent between the Director and the Concessionaire and shall be reasonable in accordance with the revenue to be generated therefrom.
- 5.6 Payment shall be made to the Department on or before the fifteenth (15th) day of the calendar month following each month of the term of this Agreement. Payment shall be by check or draft and made payable to the

County of Los Angeles Department of Parks and Recreation. Payment shall be mailed or otherwise delivered to the Treasurer/Tax Collector, P.O. Box 54927, Los Angeles, California 90054-0927. A late payment charge of two percent (2%) per month shall be added to any late payment received by the Treasurer-Tax Collector, on a compound basis. However, the late payment charge herein provided may be waived, whenever the Director finds the late payment excusable by reason of extenuating circumstances. At no time during the term of this Agreement shall the County be obligated to notify the Concessionaire of the accumulation of late payment charges.

6.0 ACCOUNTING RECORDS

- 6.1 Concessionaire shall maintain a method of accounting that shall, to the satisfaction of the Auditor-Controller, correctly and accurately reflect the gross receipts and disbursements of Concessionaire in connection with the operation. The method of accounting, including bank accounts, established for said operation shall be separate from the accounting system used for any other business operated by Concessionaire or for recording Concessionaire's personal financial affairs. Such method shall include the keeping of the following documents:
- a. Regular books of accounting such as general ledgers;
 - b. Journals including any supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.;
 - c. State and Federal income tax returns and sales tax returns and checks and other documents providing payment of sums shown which shall be kept in confidence by County;
 - d. Any other accounting records that the Auditor-Controller deems necessary for proper reporting of receipts.
- 6.2 All documents, books and accounting records shall be open for inspection and reinspection at any reasonable time during the term of this Agreement and for five (5) years thereafter. In addition, the County may from time to

time conduct an audit and re-audit of the books and business conducted by Concessionaire and observe the operation of the business so that accuracy of the above records can be confirmed. All information obtained in connection with the County's inspection of records or audit shall be treated as confidential information and exempt from the public disclosure thereof to the extent permitted under the California Public Records Act.

- 6.3 Concessionaire shall furnish the Director with a monthly gross receipts report showing the amount payable therefrom to the County. Such a report shall accompany each minimum rent or percentage rent payment required to be made as provided herein. The monthly reporting period shall be by calendar month rather than monthly anniversary date of the effective date of this Agreement. In addition thereto, Concessionaire shall furnish an annual profit and loss statement and a balance sheet prepared by a person and in a form acceptable to the County. The annual profit and loss statement shall be submitted within sixty (60) days of the close of the calendar year.
- 6.4 In the event that an audit or review conducted by the Auditor-Controller and/or Director finds, due to Concessionaire's non-compliance with its obligation to report gross receipts received in connection with its operations authorized herein, that an actual loss and/or a projected loss of revenue to County can be determined, Director may, at his option, (a) bill Concessionaire for said losses, said amount to be paid to County within thirty (30) days following billing therefor unless otherwise specified by Director; and/or (b) use the Security Deposit as provided for herein.
- 6.5 In the event that an audit or review conducted by the Auditor-Controller and/or Director finds, due to Concessionaire's non-compliance with its obligation to report gross receipts received in connection with its operations authorized herein, that an actual loss and/or projected loss of revenue to County cannot be determined, Director may assess liquidated damages. The parties agree that it will be impracticable or extremely

difficult to fix the extent of actual damages resulting from the failure of the Concessionaire to correctly report gross receipts, and a projected loss of revenue due to County. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is Five Hundred Dollars (\$500.00) per day for each day of the loss period as determined by County, and that the Concessionaire shall be liable to the County for liquidated damages in said amount.

- 6.6 Should the Director find that the additional rental payment due to County exceeds two percent (2%) of the total amount which should have been paid as determined by such review or audit and observation, and there being no reasonable basis for the failure to report and pay thereon, Concessionaire shall also pay the cost of the audit as determined by County and pay any penalty heretofore provided for the delinquent payments.
- 6.7 Concessionaire shall cause all of its sub-lessees to comply with these requirements except that a sub-lessee shall only be required to establish and maintain those accounting records that the Auditor-Controller deems necessary to examine the reported gross receipts in accordance with generally accepted auditing standards.

7.0 CAPITAL IMPROVEMENTS

- 7.1 Concessionaire shall provide for the construction, refurbishment, replacement, installation, and/or landscaping, hereinafter identified as Improvements, upon the concession premises as identified in Exhibit B, attached hereto and incorporated herein by reference.
- 7.2 If the Improvements contemplated are to be undertaken in phases, the proposed program should identify these phases and indicate the estimated costs of each phase with a detailed plan of the start and end dates. All improvements must be ADA (Americans with Disabilities Act) compliant and subject to building codes, Federal, State and local laws, and environmental impact.

7.3 All construction or refurbishment undertaken by the Concessionaire pursuant this Section 7.0, Capital Improvements, shall be subject to the requirements and procedures of Section 8.0, Improvement Process, hereinafter.

8.0 IMPROVEMENT PROCESS

8.1 Approvals: Any proposed improvement undertaken by the Concessionaire, including, but not limited to construction of utilities, landscape planting, replanting or removal, irrigation, site improvements such as paths, walkways, benches, lighting, parking lots, railings, demolition, relocation or replication of existing structures, and construction of new structures, shall have the prior written approval of the Director. Notice of a proposed improvement project shall be provided to the Director in writing and shall include sufficient detail regarding proposed scope, cost estimate, time frame and proposed funding for the project.

8.2 Funding: Unless otherwise approved by the Director in writing, all funds for the costs of any improvement, inclusive of costs of performance and payment bonds and the costs of any permits, shall be solely the responsibility of the Concessionaire.

8.3 Plan Preparation:

8.3.1 The Concessionaire shall ensure that all improvement plans are prepared by qualified professionals such as architects, engineers, and landscape architects who are licensed by the State of California and are approved in advance by the Director. In addition, the Concessionaire shall be required to utilize the services of an experienced construction management consultant in connection with any project performed hereunder, unless otherwise agreed to in writing by the Director.

8.3.2 For projects requiring the issuance of a permit, Concessionaire shall prepare and submit two (2) sets of a preliminary design for review and approval by the Director. Within forty-five (45) days

following approval of the preliminary design by the Director, Concessionaire shall prepare and submit three (3) sets of working drawings for review and approval: two (2) sets shall be submitted to the Director and one set shall be submitted to the Building Official. Should the Building Official require Concessionaire to make changes to the plans, Concessionaire shall make necessary changes and re-submit the plans to the Building Official as soon as possible, however, no later than 30 days. Upon approval thereof, said working drawings shall be incorporated herein by reference. Elements included in the approved design development shall not be subsequently disapproved in review of the working drawings. Concessionaire shall, within 30 days after approval of the working drawings as provided herein, and causing the posting of the construction site with a notice of non-responsibility of County for payment for the works of improvement, commence construction of the above-described improvements and shall diligently prosecute and complete same.

- 8.4 Contract Approval: Copies of all agreements for projects requiring the issuance of a building permit between Concessionaire and the Concessionaire's architects, engineers, and Concessionaires shall be furnished to and consented to in writing by the Director. The Director's consent shall not be unreasonably withheld.
- 8.5 Environmental Impacts: The Concessionaire shall coordinate environmental impact issues with the Director in compliance with the California Environmental Quality Act (CEQA) and shall receive written approvals and authorizations from Director. The Concessionaire shall, however, maintain full responsibility for implementing all CEQA and related requirements.
- 8.6 Construction Management: The Concessionaire and/or its construction manager shall maintain responsibility for conducting regularly scheduled

site inspections and job meetings and shall notify the Director of same. Documentation of these meetings shall be maintained by the Concessionaire and be available for review by Department staff.

- 8.7 Completion of Improvements: The improvements requiring the issuance of a permit shall be deemed to be complete upon acceptance of the improvements by the Building Official as evidenced by the issuance of a certificate of occupancy and completion of punch list items and tenant improvements in areas to be subleased.
- 8.8 Plans of Record: Upon completion of the improvements, Concessionaire shall furnish the Director with one (1) complete set of "plans of record" working drawings; one (1) complete set of "plans of record" working drawings in AutoCADD and on CD (all circuit breakers, mechanical equipment, switches, plumbing and fire sprinkler section and main valves shall be plainly labeled and a master index shall be provided); operating manuals for all building equipment and systems; and copies of all written warranties. Concessionaire shall assign to County all expressed warranties furnished by other persons in connection with the provision of labor and/or material to the works of improvement covered by this Agreement upon termination of this Agreement by expiration of term or cancellation.
- 8.9 Performance Bond: In connection with any improvement project performed hereunder, Concessionaire shall, at its own cost, obtain or require its Contractor to obtain a performance bond from an admitted California surety, in good standing, in an amount equal to one hundred percent (100%) of the construction cost of the improvement, unless the Director otherwise agrees in writing. Said performance bond must be satisfactory to the County and shall name the County of Los Angeles and the Concessionaire as obligees.
- 8.10 Prevailing Wages: In connection with any capital improvement performed hereunder and utilizing Trust Funds pursuant to Paragraph

8.12, the Concessionaire shall comply with and shall require all of its Concessionaires to comply with all provisions of the Labor Code of the State of California, including but not limited to, the payment of prevailing wages to all persons providing labor on any such project.

8.11 Compliance With All Laws and Building Codes: The Concessionaire shall comply with and require its Concessionaires to comply with all applicable laws, including Building Code requirements in connection with any projects performed hereunder.

8.12 Capital Improvement Fund Expenditures:

8.12.1 Upon final approval by the Director of the plans, specifications and construction cost estimates for capital improvement(s), the Director will authorize the issuance of a warrant to Concessionaire in the amount of ninety percent (90%) of the construction cost estimate. Upon completion of the capital improvement(s) and acceptance by the Director, said officer shall authorize the issuance of a warrant to the Concessionaire in the amount of the remaining balance of the actual construction cost.

8.12.2 The monies deposited and accumulated in the Capital Improvement Program fund shall at all times be administered by the County. At the termination of the agreement, all unexpended funds shall be retained by the County and deposited in the Special Development fund for Frank G. Bonelli Regional Park.

8.13 Upon review by and consultation with County's Risk Manager, Concessionaire shall provide such insurance coverage as Director deems necessary for the completed construction project.

8.14 Additional Provisions: It is contemplated that the County may impose additional obligations on the Concessionaire with respect to particular capital improvement projects performed hereunder and such additional

requirements may be set forth in a separate writing signed by the Concessionaire and the Director on behalf of the County.

9.0 SECURITY DEPOSIT

- 9.1 Prior to the commencement of this Agreement, Concessionaire shall forward to the Director a cashier's check in the amount of **Four Thousand Dollars (\$4,000.00)** as a security deposit, payable to Los Angeles County Department of Parks and Recreation.
- 9.2 Said Deposit shall serve as security for faithful performance of all covenants, promises and conditions assumed herein by Concessionaire, and may be applied in satisfaction and/or mitigation of damages arising from a breach thereof, including, but not limited to, delinquent payments; correction of maintenance deficiencies; loss of revenue due to abandonment or discontinuance of concession operations; discrimination; refunding of deposits for scheduled future events which are required to be canceled due to abandonment or discontinuance of concession operations; a breach of obligations assumed by Concessionaire herein with respect to the requirements therefore by County, including the payment of mechanic's liens. Application of amounts on deposit in satisfaction and/or mitigation of damages shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Agreement.
- 9.3 In the event any or all of said amount is applied in satisfaction and/or mitigation of damages Concessionaire shall immediately deposit such sums as are necessary to restore the Security Deposit to the full amount required hereunder.
- 9.4 Said Deposit shall be returned to Concessionaire upon termination of this Agreement less any amounts that may be withheld therefrom by County as heretofore provided.

10.0 DESTRUCTION OF THE CONCESSION PREMISES AND/OR FRANK G. BONELLI REGIONAL PARK

10.1 In the event the concession premises shall be totally or partially destroyed by a risk covered by the insurance coverage required herein, Concessionaire shall either restore the premises or terminate this Agreement. If the destruction is from a risk for which coverage is not required or provided under said policy of insurance, County shall either restore the premises or terminate this Agreement. County shall make the loss adjustment with the insurance company insuring the loss and receive payment of the proceeds of insurance. Said insurance proceeds, if any, shall be held for the benefit of Concessionaire only in the event of an election by Concessionaire to restore the premises and shall be disbursed in installments as construction progresses for payment of the costs of restoration upon satisfactory performance of the work required, as evidenced by certification of completion by the Director and release of mechanic's liens by all persons furnishing labor and materials thereon. If the proceeds of insurance are insufficient to pay the actual costs of restoration, Concessionaire shall deposit the amount of the deficiency with the County upon demand therefor by the Director, and said sums shall be held for payment of said costs and disbursed in the manner heretofore provided. Any undistributed funds shall be retained by County and credited to the rental reserved over the remaining term of this Agreement. In the event Concessionaire elects to restore the concession premises, plans, specifications, and construction cost estimates for the restoration thereof shall be prepared by Concessionaire and forwarded to Director for approval prior to the performance of any work thereon. Said documents shall be prepared and submitted in a timely manner following adjustments of the loss and receipt of the proceeds of insurance by County. The required construction shall be performed by Concessionaire and/or licensed and bondable Contractor(s) thereof who shall be required to carry comprehensive liability and property damage insurance, workers' compensation insurance, and standard fire, and extended coverage

insurance, with vandalism and malicious mischief endorsements, during the period of construction, in amounts equal to the insurance limits required herein, or as otherwise determined by the County. Said construction shall be commenced promptly following the approval thereof by the Director, issuance of permits therefore by governmental agencies having jurisdiction thereover, and posting of the construction site by County with notice of non-responsibility, and shall be diligently prosecuted to completion. All work shall be performed in accordance with the approved plans and specifications, unless changes therein are approved in advance thereof by Director. Concessionaire agrees that County may have on the site at any time during the construction period an inspector who shall have the right of access to the concession premises and the work occurring thereon. Concessionaire, at the commencement of the construction work, shall notify Director in writing of the identity, place of business, and telephone number of responsible person(s) in charge of the construction to be occurring thereon. All construction shall be performed in a good and workmanlike manner. Upon completion of the restoration, Concessionaire shall immediately record a notice of completion with the Registrar-Recorder.

- 10.2 If the premises are restored, this Agreement shall continue in full force and effect, except that the payment to be made by Concessionaire shall be abated and/or other relief afforded to the extent that the Director may determine the damage and/or restoration interferes with the concession operation provided a claim therefore is filed with the Director within one hundred (100) days of notice of election to restore the premises. Any such claim shall be denied if the destruction of the concession premises is found by the Director to have been caused by the fault or neglect of Concessionaire. Concessionaire agrees to cooperate in the determination of the abatement and/or other relief to be provided by furnishing all information requested relative to the concession operation, and permitting

examination and audit of all accounting records kept in connection with the conduct thereof.

- 10.3 Concessionaire shall cooperate in the restoration of the concession premises by vacating and removing therefrom all items of inventory, trade fixtures, equipment and furnishings for such periods as are required for the restoration thereof.
- 10.4 The aforesaid provisions for abatement and/or other relief shall also be applicable to a total or partial destruction of the Frank G. Bonelli Regional Park by the aforementioned causes, except that the relief to be provided shall be based upon the extent the Director may determine that the reduction in the public's use of said park due to the partial or total closure thereof has affected the concession.
- 10.5 Concessionaire agrees to accept the remedy heretofore provided in the event of a destruction of the concession premises and/or the Park and hereby waives any and all additional rights and remedies for relief or compensation that are presently available or may hereafter be made available under the laws and statutes of this State.

11.0 CONSTRUCTION BY COUNTY AFFECTING CONCESSION PREMISES AND/OR FRANK G. BONELLI REGIONAL PARK

- 11.1 In the event County shall construct or cause to be constructed a new facility for the concession, this Agreement shall continue in full force and effect, except that the payments to be made by Concessionaire shall be abated and/or other relief afforded to the extent that the Director may determine the construction interferes with the authorized operations, provided a claim therefore is filed with the Director within thirty (30) days of commencement of construction.
- 11.2 Concessionaire agrees to cooperate with County in the event the construction affects the concession premises by vacating and removing therefrom all items of inventory, trade fixtures, equipment and furnishings for such periods as are required by the construction of the new facilities.

Concessionaire further agrees to cooperate in the determination of the abatement and/or other relief to be provided by furnishing all information requested relative to the operation and permitting examination and audit of all accounting records kept in connection with the conduct thereof.

- 11.3 Following completion of the new facility, Concessionaire shall resume its operations therefrom within thirty (30) days of written notice from the Director that the concession premises are tenantable.
- 11.4 The aforementioned provisions of this section shall also be applicable in the event of performance of work at the Park that requires a partial or total closure thereof, except that the abatement and/or other relief to be provided shall be based upon the extent the Director may determine that the reduction in the public's use of the Parks due to the partial or total closure thereof, has affected the Concessionaire's operations.
- 11.5 Concessionaire agrees to accept the remedy heretofore provided in the event of construction upon the concession premises and/or the Frank G. Bonelli Regional Park, and hereby waives any and all additional rights and remedies for relief or compensation that are presently available or may be made available hereafter under the laws and statutes of this State.

12.0 OPERATING RESPONSIBILITIES

12.1 Advertising and Promotional Materials

- 12.1.1 Concessionaire shall not promulgate or cause to be distributed any advertising, or promotional materials unless prior written approval thereof is obtained from Director. Said approval shall not be unreasonably withheld or delayed. Such materials include, but are not limited to, advertising in newspapers, magazines and trade journals, the internet, and radio and/or television commercials.
- 12.1.2 Concessionaire shall post upcoming events and information of rentals/boarding in the public kiosks located near the entrance to the parks' after first having received approval of the flyer from

the Park Superintendent. Signage specific to boarders' rights, requirements, and duties should be posted throughout the facility.

12.1.3 Credit for the County

Concessionaire agrees that any advertising or promotional materials promulgated by Concessionaire, which contains the words "Frank G. Bonelli Regional County Park", or any derivative thereof, shall also include the phrase "a unit of the County of Los Angeles Department of Parks and Recreation System" with the County seal and the Parks and Recreation Department logos, unless specifically approved otherwise by the Director.

12.2 Compliance with Laws, Rules and Regulations

Concessionaire shall conform to and abide by all municipal and County ordinances, and all State and Federal laws and regulations, insofar as the same or any of them are applicable; and where permits and/or licenses are required for the concession, any related activity, and/or construction authorized herein, the same must be first obtained from the regulatory agency having jurisdiction thereover. Further, Concessionaire shall conform to and abide by all rules and regulations and policies of the County's Board of Supervisors, the Director of the Department of Parks and Recreation, and any other County agencies insofar as the same or any of them are applicable.

12.3 Concessionaire's Staff and Employment Practices

12.3.1 Concessionaire shall maintain adequate and proper staffing for its equestrian center operations at all times. Concessionaire shall designate an Operations Manager with whom County may deal with on a daily basis. The Operations Manager shall be skilled in the management of businesses similar to the concession operation and shall be subject to approval by the Director. The

Operations Manager shall devote substantial time and attentions to the operation authorized herein and render such services and convenience to the public as are required. The Operations Manager shall be fully acquainted with the concession operation, familiar with the terms and the conditions prescribed therefore by this Agreement, and authorized to act in the day-to-day operation thereof.

- 12.3.2 The Director may at any time give Concessionaire written notice to the effect that the conduct or action of a designated employee of Concessionaire is, in the reasonable belief of the Director, detrimental to the interest of the public patronizing the concession premises. Concessionaire shall transfer or reassign any such employee within a reasonable period of time following notice thereof from the Director, and such employee shall not be assigned to any other County Department of Parks and Recreation facility.
- 12.3.3 Concessionaire warrants that it fully complies with all laws regarding employment of aliens and others, and that all its employees performing services hereunder meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). Concessionaire shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. Concessionaire shall retain such documentation for all covered employees for the period prescribed by law. Concessionaire shall indemnify, defend, and hold harmless, the County, its agents, officers and employees from employer

sanctions and any other liability which may be assessed against Concessionaire or County or both in connection with any alleged violation of federal statutes or regulation pertaining to the eligibility for employment of persons performing services under this Agreement.

12.3.4 At any time prior to or during the term of this Agreement, the County may require that all of the Concessionaire's staff performing work under this Agreement undergo and pass, to the satisfaction of the County, a background investigation, as a condition of beginning and continuing to work under this Agreement. The County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the sole expense of the Concessionaire, regardless if the Concessionaire's staff passes or fails the background clearance investigation.

12.3.5 Concessionaire shall file with the Director, a certificate for each member of the food and beverage staff showing that within the last two (2) years, such person has been examined and has been found to be free of communicable tuberculosis. "Certificate" means a document signed by the examining physician and surgeon who is licensed under Chapter 5 (commencing with Section 2000), Division 2 of the California Business and Professions Code, or a notice from a public health agency or unit of the Tuberculosis Association that indicates freedom from active tuberculosis.

12.4 Routes and Trails

The rental horses shall keep to a designated route specified by the Park's Superintendent. The horses shall be kept out of the developed areas of

the park. The Concessionaire shall be responsible for ensuring that each renter or group of renters be accompanied by an adult guide to assure safety and assure that horses stay on the designated trail.

12.5 Horses and Cattle

Concessionaire may maintain a maximum of one hundred and twenty-five (125) horses and forty (40) cattle within the Bonelli Equestrian Center. If Concessionaire exceeds said maximum number of horses or cattle at any time, as determined by the Director, a charge of Fifty Dollars (\$50) per day, per animal shall be assessed by the Department to the Concessionaire. Department shall invoice said assessed amount to Concessionaire and Concessionaire shall pay said amount within thirty (30) days of receipt of invoice. If Concessionaire fails to pay invoiced amount within thirty (30) days, Director may, including all other remedies available in this Agreement, deduct said amount from the Security Deposit. Action taken by the Department herein shall be in addition to the exercise of any other rights provided for in this Agreement or by law to remedy a breach of the Agreement.

12.6 Rental String

By the start of the second year of the Agreement, the Concessionaire shall provide a minimum of fifteen (15) horses for rent by the public.

12.7 Boarding

12.7.1 **Boarding Rates** – At the commencement of the Agreement, the Boarding Fees shall be set as follows:

½ covered stalls are \$300 per month;

Full covered stalls are \$350 per month;

Box stalls are \$450 per month.

All increases must have prior written approval by the Director. Increase of Boarding Fees, if justified, may be authorized once every two (2) years. The process for increases in boarding fees shall be as stated in Section 12.16 hereinafter.

12.7.2 **Boarder List** – At the commencement of the agreement, Concessionaire, shall submit a Boarder List, which shall include the contact information (name, address, phone numbers and email address), along with a copy of each Board Agreement. Concessionaire shall provide Director with a current Boarder List within twenty-four (24) hours of receiving such a request from Director.

12.7.3 **Personal Boarding** – The Concessionaire may board up to a maximum of three (3) personal horses at the equestrian center at no cost to the Concessionaire. The horses may be used by the Concessionaire for his/her pleasure and/or for use by the public as desired by the Concessionaire. The care for said horses shall be at the Concessionaire's sole expense. In the event the Concessionaire boards more than the maximum number of its own horses as identified above, the Concessionaire shall pay the appropriate boarding rate identified hereinabove.

12.8 Days and Hours of Operation

12.8.1 The Equestrian Center shall operate seven days a week, from 9:00 a.m. to sunset, during daylight saving time (approximately March 1st through November 1st of each year), and from 9:00 a.m. to 7:00 p.m. during non-daylight savings time (approximately November 2nd through February 28/29th). The Equestrian Center may be closed on Christmas Day. Concessionaire shall comply with above schedule of days and hours of operation unless written authorization to deviate from said schedule is obtained from the Director.

12.8.2 At no time shall the Concessionaire or any member of the public be allowed to ride alone on the trails after hours. After hours trail rides are limited to the written approval of the Park Superintendent. Concessionaire must have written approval at

least 30 days in advance for any planned after hour rides or special events to safeguard the public and groups that may be involved in such activities.

12.9 Department's Use of Concession Premises

The Department reserves the right to schedule the use of the concession premises for special events sponsored by the Department. Specific dates and the areas to be used shall be arranged with the Concessionaire. County shall be responsible for repairing any damage, except for normal wear and tear, to the concession premises while conducting said activities.

12.10 Disorderly Persons

Concessionaire agrees to exercise every reasonable effort to not allow any loud, boisterous or disorderly persons about the concession premises.

12.11 Easements

County reserves the right to establish, grant or utilize easements or rights of way over, under, along and across the concession premises for utilities and/or public access provided that County shall exercise such rights in a manner as will avoid any substantial interference with the operations to be conducted hereunder. Should the establishment of such easements permanently deprive Concessionaire of the use of a portion of the concession premises, an abatement of payments shall be provided in an amount proportional to the total area of the premises in the before and after conditions.

12.12 Habitation

The concession premises shall not be used for human habitation, other than a night watchman or patrolman approved by the Director. The concession premises shall be used for horse and cattle habitation only. Concessionaire is not allowed to keep in premises any other types of animals.

12.13 Illegal Activities

Concessionaire shall not permit any illegal activities to be conducted upon the concession premises.

12.14 Maintenance

12.14.1 Concessionaire shall be responsible for maintaining the Concession Premises in good and substantial repair and condition, and in compliance therewith shall perform all repairs to and replacement of all improvements and equipment thereof, including the painting thereof upon written request therefore by the Director. In addition to this general requirement, Concessionaire shall perform any and all repairs required for the maintenance thereof in compliance with all laws applicable thereto; replace broken window glass; replace exterior and interior lights; repair plumbing and lighting fixtures; repair flooring; replace broken or damaged doors; and repair/replace broken or damaged stalls, fences and gates. Additionally, Concessionaire shall be responsible for repairing damage to the exterior of the facility caused by malicious mischief, vandalism or burglary of the equestrian center caused by actions of Concessionaire, its agents and/or employees thereof. All maintenance shall commence within ten (10) days of notice and shall be completed in a diligent manner, except where the state of disrepair is such that an emergency or hazard is created thereby in which event there shall be an immediate correction thereof.

12.14.2 Notwithstanding the above, the Concessionaire shall also be responsible for the daily maintenance of the center. The daily maintenance tasks shall include, but not be limited to the following:

- a) Watering and dragging of the arenas and round pens;
- b) Watering general walking areas to keep the dust down;

- c) Inspect and clean wash racks;
- d) Check automatic waterers for debris;
- e) Check feeders for debris and dirt and clean as needed;
- f) Rake (or blow) barn aisles;
- g) Weed as needed.

12.14.3 County may cure Concessionaire's default with respect to the maintenance obligations assumed herein, and upon performance thereof shall acquire a right of reimbursement from Concessionaire for the actual costs of same, including, but not limited to, the cost of labor, materials and equipment furnished in the correction thereof. Any demand of County for reimbursement hereunder shall be paid by Concessionaire within thirty (30) days of invoice by County or may, at County's discretion, be paid through payment of the sums deposited with County as security for faithful performance, and/or prorated monthly installments over the remaining term of this Agreement, commencing with the month next succeeding the date of completion of the maintenance performed.

12.15 Merchandise

Concessionaire shall provide to County an inventory of concession merchandise. All food and beverages sold or kept for sale by Concessionaire shall be first-class in quality, wholesome and pure, and shall conform to the Federal, State and County food laws, ordinances and regulations in all respects. No adulterated, misbranded or impure articles shall be sold or kept for sale by Concessionaire, and all merchandise kept on hand by Concessionaire shall be stored and handled with due regard for sanitation. In the event that the Director determines that any merchandise, and/or food products are below first class, the Director shall have the right to order the improvement of the quality of any such items kept or offered for sale.

12.16 Non-Interference

Concessionaire shall not interfere with the public use of and the programming within the Frank G. Bonelli Regional Park.

12.17 Patron/Non-Patron Complaints

The Concessionaire shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

12.17.1 Within ten (10) business days after the Agreement effective date, the Concessionaire shall provide the County with the Concessionaire's policy for receiving, investigating and responding to user complaints.

12.17.2 The County will review the Concessionaire's policy and provide the Concessionaire with approval of said plan or with requested changes.

12.17.3 If the County requests changes in the Concessionaire's policy, the Concessionaire shall make such changes and resubmit the plan within five (5) business days for County approval.

12.17.4 If, at any time, the Concessionaire wishes to change the Concessionaire's policy, the Concessionaire shall submit proposed changes to the County for approval before implementation.

12.17.5 The Concessionaire shall preliminarily investigate all complaints and notify the County's Park Superintendent of the status of the investigation within five (5) business days of receiving the complaint.

12.17.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

12.17.7 Copies of all written responses shall be sent to the County's Park Superintendent within three (3) business days of mailing to the complainant.

12.18 Prices

Concessionaire shall at all times maintain a complete list or schedule of the prices collected for all fees, charges, goods, rentals, and services, or combinations thereof, supplied to the public on or from the concession premises. All price increase requests shall be submitted in writing to the Director for approval. Prior written approval shall be received from the Director before price increases are enacted. Failure to obtain written approval prior to enacting any price increases shall constitute a material breach of this Agreement. Said prices shall be fair and reasonable based upon the following considerations: that the concession is intended to serve the needs of the public for the goods and/or services supplied at a fair and reasonable cost; comparability with prices charged for similar goods and/or services supplied in the Los Angeles Metropolitan Area; and reasonableness of profit margin in view of the cost of providing same in compliance with the obligations assumed in this Agreement. In the event the Director notifies Concessionaire that prices being charged are not fair and reasonable, Concessionaire shall have the right to confer with the Director and justify said prices. Following reasonable conference and consultation thereon, Concessionaire shall make such price adjustments as may be ordered by the Director.

12.19 Programmed Events

Concessionaire shall not promote or sponsor private or public events requiring the use of the Frank G. Bonelli Regional Park. However, this provision shall not prohibit Concessionaire from generally advertising or encouraging public use of the Frank G. Bonelli Regional Park.

12.20 Quality of Goods and Services

Service to the public, with goods, services, and merchandise of the best quality and at reasonable charges, is of prime concern to County and is considered a part of the consideration for this Agreement. Therefore,

Concessionaire agrees to operate and conduct its concession operation in a first-class manner, and comparable to other first-class facilities providing similar activities, programs and services. Concessionaire shall furnish and dispense foods, beverages, and merchandise of the best quality and shall maintain a high standard of service at least equal to that of similar events and programs conducted on County parks and/or adjacent communities and to those prevailing in such areas for similar products and services, and without discrimination. Concessionaire, following receipt of written notification therefore, shall immediately withdraw or remove from sale any goods or services which may be found objectionable to the Director based on findings that the provision of such goods or services are harmful to the public welfare.

12.21 Safety

Concessionaire shall immediately correct any unsafe condition of the concession premises, as well as any unsafe practices occurring thereon. Concessionaire shall obtain emergency medical care for any member of the public who is in need thereof, because of illness or injury occurring on the concession premises. Concessionaire shall cooperate fully with County in the investigation of any accidental injury or death occurring on the concession premises, including a prompt report thereof to the Director. Concessionaire shall cooperate and comply fully with County, State, municipal, federal or any other regulatory agency having jurisdiction there over, regarding any safety inspections and certifications of any and all Concessionaire's structures, enclosures, vehicles, and equipment.

12.22 Sanitation

12.22.1 No offensive matter or refuse, or substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Concession Premises. Concessionaire shall prevent the accumulation of trash and debris for a distance of fifty (50) feet

from the Concession Premises. Concessionaire shall provide that all litter and refuse is collected as often as necessary, and in no case less than once a week, and shall pay all charges which may be made for the removal thereof. Concessionaire shall furnish all equipment and materials necessary, including trash receptacles of the size, type, color and number required by the Director, to maintain the Concession Premises and the area within a distance of fifty (50) feet thereof in a sanitary condition. Public restrooms shall be inspected and cleaned on a daily basis.

- 12.22.2 Concessionaire shall clean all stalls and paddocks on a daily basis, removing all manure there from and replacing wet sawdust or straw. Manure shall be accumulated and removed from the premises according to Health Department regulations, but at no time less than at least once per week.
- 12.22.3 The Concessionaire shall control the accumulation and breeding of flies within the Concession Premises. This will be done using methods that will pose no health hazard to humans or the surrounding natural environment. This shall be an ongoing program for the duration of the Agreement.
- 12.22.4 The Concessionaire shall control all offensive odors resulting from manure and the accumulation of urine in paddocks and stalls. This will be done using methods that pose no health hazard to humans or the surrounding natural environment. This shall be an ongoing program for the duration of the Agreement.
- 12.22.5 The Concessionaire shall control vertebrate pests which result from the storage of hay, straw, and feed. This shall be done using a method which poses no health hazard to humans, and does not negatively effect the surrounding natural environment, birds, wildlife, or domestic cats and dogs.

12.22.6 Automatic waterers shall be cleaned on an as-needed basis but no less than once per week.

12.23 Security Devices

Concessionaire, at its own expense, may provide any legal security devices or equipment and the installation thereof, designated for the purpose of protecting the concession premises from theft, burglary or vandalism, provided written approval for the installation thereof is first obtained from the Director.

12.24 Signs

Concessionaire shall not post signs upon premises or improvements thereon unless prior approval thereof is obtained from the Director.

12.25 Trade Fixtures

12.25.1 Concessionaire shall provide and install all appliances, furniture, fixtures and equipment that are required for the concession. Any improvements as defined in Section 7.0, including without limitation, stalls and barns, must remain at the facility at the termination of the Agreement. During the last thirty (30) days preceding the termination of this Agreement, Concessionaire shall remove trade fixtures only from the premises, except for those items of personality which have been furnished by County or so affixed that their removal therefrom cannot be accomplished without damage to the realty. Should Concessionaire fail to so remove said appliances, furniture, fixtures, equipment, door locks and padlocks within said thirty (30) day period, Concessionaire shall lose all right, title and interest in and thereto, and County may elect to keep same upon the premises or to sell, remove or demolish same. Concessionaire shall reimburse County for any and all costs, as determined by the Director, incurred in excess of any consideration received from the sale, removal or demolition

thereof. In the event of a dispute as to whether an item is a trade fixture or an agreement, the parties will meet to attempt to resolve the dispute. However, County shall have the final determination as to the status of any such disputed item.

12.25.2 Prior to the start of the Agreement, Concessionaire shall provide an inventory list of all equipment and trade fixtures it intends to use in its operation. The Concessionaire shall, on an annual basis, revise the inventory list and provide the County with any changes to the Concessionaire's inventory. Concessionaire shall be limited to removing only those items listed on the inventory list upon expiration of this Agreement.

12.26 Utilities

At the commencement of the second year of the Agreement, Concessionaire shall pay \$500.00 for water and electricity, in addition to the monthly rent. Concessionaire shall exercise prudence in its use of water and electricity. Moreover, County at its sole discretion and at any time during the term of this Contract may install or cause to be installed separate metering systems for water and power services to the Equestrian Center. At such time, Concessionaire shall establish accounts in its own name and Concessionaire shall be solely responsible for all costs incurred and payments of water and electricity.

13.0 TERMS AND CONDITIONS

13.1 AGREEMENT ENFORCEMENT

13.1.1 The Director shall be responsible for the enforcement of this Agreement on behalf of County and shall be assisted therein by those officers and employees of County having duties in connection with the administration thereof.

13.1.2 Any officers and/or authorized employees of County may enter upon the concession premises at any and all reasonable times for the purpose of determining whether or not Concessionaire is

complying with the terms and conditions hereof, or for any other purpose incidental to the rights of County within the concession premises.

- 13.1.3 In the event County commences legal proceedings for the enforcement of this Agreement or recovery of the concession premises herein, Concessionaire does hereby agree to pay any sum which may be awarded to the County by the Court for attorney's fees and costs incurred in the action brought thereon.

13.2 CANCELLATION

- 13.2.1 Upon the occurrence of any one or more of the events of default hereinafter described in Subparagraph 13.11, this Agreement shall be subject to cancellation. As a condition precedent thereto, the Director shall give Concessionaire ten (10) days notice by registered or certified mail of the date set for cancellation thereof; the grounds therefore; and that an opportunity to be heard thereon will be afforded on or before said date, if request is made therefore.
- 13.2.2 Upon cancellation, County shall have the right to take possession of the concession premises, including all improvements, equipment, and inventory located thereon, and use same for the purpose of satisfying and/or mitigating all damages arising from a breach of this Agreement.
- 13.2.3 Action by County to effectuate a cancellation and forfeiture of possession shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Agreement.
- 13.2.4 Any trustee, beneficiary, mortgagee or lender (hereinafter: Lender) under a hypothecation or mortgage previously approved by the Director shall have the right at any time during the term of this Agreement to undertake any and all action that may be

required in order to prevent a cancellation of this Agreement and a forfeiture of the use granted. Accordingly, the Director shall send a copy of any intended cancellation of this Agreement to any such Lender whose security would be affected thereby, provided that such Lender shall have previously registered with the Director by written notice specifying the name and address of said Lender; and upon request thereof for postponement, extend the date set therefore by such time as the Director finds reasonable in order to allow said parties to correct the grounds therefore or to provide a new Concessionaire under a power of sale or foreclosure contained in the hypothecation or mortgage, who upon transfer thereto shall become responsible for the correction thereof within such time as may be allowed by the Director.

13.2.5 In the event that, following service of the Notice of Cancellation of this Agreement under the provisions of this clause, it is determined for any reason that the Concessionaire was not in default under the provisions of this clause, that the default was excusable under provisions of this clause, or Concessionaire has, to the satisfaction of the Director, cured any default, the Director shall issue, within five (5) business days, a rescission of the Notice of Cancellation, and the rights and obligations of the parties shall be the same as if the Notice of Cancellation had not been issued.

13.3 COMPLIANCE WITH CIVIL RIGHTS LAW

The Concessionaire hereby assures that it will comply with Subchapter VII of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination

under this Agreement or under any project, program, or activity supported by this Agreement. The Concessionaire shall comply with Exhibit C, Concessionaire's EEO Certification.

13.4 CONCESSIONAIRE'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Concessionaire acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Concessionaire understands that it is the County's policy to encourage all County Concessionaires to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Concessionaire's place of business. The Concessionaire will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. The County's Department of Children and Family Services will supply the Concessionaire with the poster to be used.

13.5 CONCESSIONAIRE'S NON-COMPLIANCE AND LIQUIDATED DAMAGES

13.5.1 In the event the Director determines that there are deficiencies in Concessionaire's operations authorized and required herein, the Director will provide, as specified herein in the section of this Agreement entitled Events of Default, a written notice to the Concessionaire to correct said deficiencies within specified time frames.

13.5.2 In the event that Concessionaire fails to correct the deficiencies within the prescribed time frames the Director may, at his option: (1) use the Security Deposit as provided for herein, (2) exercise its rights under the Sub-Section 13.25 (Right of Entry) and/or (3) assess liquidated damages. The parties agree that it would be impracticable or extremely difficult to fix the extent of actual

damages resulting from the failure of the Concessionaire to comply with the obligations for use granted herein authorized and required. The parties hereby agree that under the current circumstances a reasonable estimate of such damage is \$250.00 per day for each day of the period of time that the deficiencies exist, and that Concessionaire shall be liable to County for liquidated damages in said amount.

13.6 CONCESSIONAIRE RESPONSIBILITY AND DEBARMENT

13.6.1 Responsible Concessionaire

A responsible Concessionaire is a Concessionaire who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Agreement. It is the County's policy to conduct business only with responsible Concessionaires.

13.6.2 Chapter 2.202 of the County Code

The Concessionaire is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Concessionaire on this or other Agreements which indicates that the Concessionaire is not responsible, the County may, in addition to other remedies provided in the Agreement, debar the Concessionaire from bidding or proposing on, or being awarded, and/or performing work on County Agreements for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Agreements the Concessionaire may have with the County.

13.6.3 Non-responsible Concessionaire

The County may debar a Concessionaire if the Board of Supervisors finds, in its discretion, that the Concessionaire has

done any of the following: (1) violated a term of a Agreement with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Concessionaire's quality, fitness or capacity to perform a Agreement with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

13.6.4 Contractor Hearing Board

1. If there is evidence that the Concessionaire may be subject to debarment, the Department will notify the Concessionaire in writing of the evidence which is the basis for the proposed debarment and will advise the Concessionaire of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Concessionaire and/or the Concessionaire's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Concessionaire should be debarred, and, if so, the appropriate length of time of the debarment. The Concessionaire and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Concessionaire Hearing Board.
4. If a Concessionaire has been debarred for a period longer than five (5) years, that Concessionaire may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Concessionaire has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Concessionaire has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor

Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

13.6.5 Sub-Contractors of Concessionaire

These terms shall also apply to Sub-Contractors of the County.

13.7 CONCESSIONAIRE'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

13.7.1 Concessionaire acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through this Agreement are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

13.7.2 As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Concessionaire's duty under this Agreement to comply with all applicable provisions of law, Concessionaire warrants that it is now in compliance and shall during the term of this Agreement

maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

13.8 CONCESSIONAIRE’S WARRANTY OF COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

13.8.1 Concessionaire acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

13.8.2 Unless Concessionaire qualifies for an exemptions or exclusion, Concessionaire warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

13.9 CONFLICT OF INTEREST

13.9.1 No County employee whose position with the County enables such employee to influence the award of this Agreement or any competing Agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Concessionaire or have any other direct or indirect financial interest in this Agreement. No officer or employee of the Concessionaire who may financially benefit from the performance of work hereunder shall in any way participate in the County’s approval, or ongoing evaluation, of such work, or in any way attempt to

unlawfully influence the County's approval or ongoing evaluation of such work.

- 13.9.2 The Concessionaire shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. The Concessionaire warrants that it is not now aware of any facts that create a conflict of interest. If the Concessionaire hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances.

13.10 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent will evaluate Concessionaire's performance under this agreement on not less than an annual basis. Such evaluation will include assessing Concessionaire's compliance with all Agreement terms and performance standards. Concessionaire deficiencies that County determines are severe or continuing and that may place performance of the agreement in jeopardy if not corrected, will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and Concessionaire. If improvement does not occur consistent with the corrective action measures, County may terminate this agreement or impose other penalties as specified in this agreement.

13.11 EVENTS OF DEFAULT

- 13.11.1 The abandonment or discontinuance of operations on the concession premises for more than two (2) consecutive days during the time each event to the public, without approval thereof by the Director.

- 13.11.2 The failure of Concessionaire to punctually pay or make the payments required herein when due, where the delinquency continues beyond ten (10) days following written notice for payment thereof.
- 13.11.3 The failure of Concessionaire to operate in the manner required by this Agreement, where such failure continues for more than ten (10) days after written notice from the Director to correct the condition.
- 13.11.4 The failure to maintain the concession premises and the improvements constructed thereon in the state of repair required herein, and in a clean, sanitary, safe and satisfactory condition, where such failure continues for more than ten (10) days after written notice from the Director to correct the condition.
- 13.11.5 The failure of Concessionaire to keep, perform and observe all of the other promises, covenants, conditions and agreements set forth in this Agreement, where such failure continues for more than thirty (30) days after written notice from the Director for correction thereof, provided that where fulfillment of such obligation requires activity over a period of time and Concessionaire shall have commenced to perform whatever may be required to cure the particular default within ten (10) days after such notice and continues such performance diligently, said time limit may be waived in the manner and to the extent allowed by the Director.
- 13.11.6 Determination by the County, the California Fair Employment and Housing Commission, or the Federal Equal Employment Opportunity Commission of discrimination having been practiced by Concessionaire in violation of State and/or Federal laws thereon.

13.11.7 Transfer of the majority controlling interest of Concessionaire to persons other than those who are in control at the time of the execution of this Agreement without approval thereof by the Director.

13.11.8 Failure of Concessionaire to keep, perform and observe all other promises, covenants, conditions and agreements set forth herein.

13.12 FAIR LABOR STANDARDS

The Concessionaire shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Concessionaire's employees for which the County may be found jointly or solely liable.

13.13 FORCE MAJEURE; TIME EXTENSIONS

13.13.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Agreement, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

13.13.2 Notwithstanding the foregoing, a default by a subcontractor of Concessionaire shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Concessionaire and such subcontractor, and without any fault or

negligence of either of them. In such case, Concessionaire shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Concessionaire to meet the required performance schedule. As used in this sub-paragraph, the terms "subcontractor" and "subcontractor" mean subcontractors at any tier.

13.13.3 In the event Concessionaire's failure to perform arises out of a force majeure event, Concessionaire agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

13.14 GOVERNING LAW, JURISDICTION, and VENUE

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The Concessionaire agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

13.15 INDEPENDENT CONCESSIONAIRE

This Agreement is by and between the County of Los Angeles and Concessionaire and is not intended, and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association, as between County and Concessionaire. Concessionaire understands and agrees that all persons furnishing services on behalf of Concessionaire pursuant to this Agreement are, for purposes of Worker's Compensation Liability, employees solely of Concessionaire and not of County. Concessionaire shall bear the sole responsibility and liability for furnishing Workers' Compensation benefits to any person for injuries

arising from or connected with services on behalf of Concessionaire pursuant to this Agreement.

13.16 INDEMNIFICATION

The Concessionaire shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Concessionaire's acts and/or omissions arising from and/or relating to this Agreement. Concessionaire's duty to indemnify the County, their agents, officers, and employees shall survive the expiration or other termination of this Agreement.

13.17 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting Concessionaire's indemnification of County, and in the performance of this Agreement and until all of its obligations pursuant to this Agreement have been met, Concessionaire shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 13.17 and 13.18 of this Agreement. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Concessionaire pursuant to this Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the Concessionaire for liabilities which may arise from or relate to this Agreement.

13.17.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Concessionaire's General Liability policy, shall be delivered to County at the address

shown below and provided prior to commencing services under this Agreement.

- Renewal Certificates shall be provided to County not less than 10 days prior to Concessionaire's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Concessionaire and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Concessionaire identified as the contracting party in this Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Concessionaire, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles
Parks and Recreation
Contracts, Golf and Special Districts Division
301 North Baldwin Avenue

Attention: Kandy Hays, Chief

Concessionaire also shall promptly report to County any injury or property damage accident or incident, including any injury to a Concessionaire employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Concessionaire. Concessionaire also shall promptly notify County of any third party claim or suit filed against Concessionaire or any of its Sub-Contractors which arises from or relates to this Agreement, and could result in the filing of a claim or lawsuit against Concessionaire and/or County.

13.17.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Concessionaire's General Liability policy with respect to liability arising out of Concessionaire's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Concessionaire's acts or omissions, whether such liability is attributable to the Concessionaire or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

13.17.3 Cancellation of Insurance

Except in the case of cancellation for non-payment of premium, Concessionaire's insurance policies shall provide, and Certificates shall specify, that County shall receive not less than thirty (30)

days advance written notice by mail of any cancellation of the Required Insurance. Ten (10) days prior notice may be given to County in event of cancellation for non-payment of premium.

13.17.4 Failure to Maintain Insurance

Concessionaire's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Agreement, upon which County immediately may withhold payments due to Concessionaire, and/or suspend or terminate this Agreement. County, at its sole discretion, may obtain damages from Concessionaire resulting from said breach.

13.17.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

13.17.6 Concessionaire's Insurance Shall Be Primary

Concessionaire's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available to Concessionaire. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Concessionaire coverage.

13.17.7 Waivers of Subrogation

To the fullest extent permitted by law, the Concessionaire hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Agreement. The Concessionaire shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

13.17.8 Sub-Contractor Insurance Coverage Requirements

Concessionaire shall include all Sub-Contractors as insureds under Concessionaire's own policies, or shall provide County with each Sub-Concessionaire's separate evidence of insurance coverage. Concessionaire shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Concessionaire as additional insureds on the Sub-Contractor's General Liability policy. Concessionaire shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

13.17.9 Deductibles and Self-Insured Retentions (SIRs)

Concessionaire's policies shall not obligate the County to pay any portion of any Concessionaire deductible or SIR. The County retains the right to require Concessionaire to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Concessionaire's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

13.17.10 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Agreement. Concessionaire understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

13.17.11 Application of Excess Liability Coverage

Concessionaire may use a combination of primary, and excess insurance policies which provide coverage as broad as (“follow form” over) the underlying primary policies, to satisfy the Required Insurance provisions.

13.17.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

13.17.13 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Concessionaire use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

13.17.14 County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County’s determination of changes in risk exposures.

13.18 INSURANCE COVERAGE REQUIREMENTS

13.18.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$4,000,000
Products/Completed Operations Aggregate:	\$1,000,000
Personal and Advertising Injury:	\$1,000,000

Each Occurrence: \$1,000,000

Such insurance shall also cover Concessionaire's legal liability for any injury or death to horses under Concessionaire's care, custody or control. In all cases, such coverage for horses in the care, custody and control of Concessionaire shall provide limits of not less than \$5,000 per horse and \$500,000 aggregate.

13.18.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Concessionaire's use of autos pursuant to this Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

13.18.3 Workers Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Concessionaire will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Concessionaire's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

13.18.4 Sexual Misconduct Liability

Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

13.18.5 Property Coverage

Concessionaires given exclusive use of County owned or leased property shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County and its Agents shall be named as an Additional Insured and Loss Payee on Concessionaire's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

13.18.6 Periods of New Construction

During the period(s) of new construction as required or authorized herein, and in addition to the aforementioned insurance coverage, at the discretion of the County, the Concessionaire shall provide the following forms and amounts of insurance:

- Builder's All-Risk Insurance: including flood coverage, covering the entire work, against loss or damage until completion and acceptance by the Director. Insurance shall be in an amount for the replacement value of the improvements and endorsed for broad form property damage, breach of warranty, explosion, collapse, and

underground hazards. Deductibles shall not exceed five percent (5%) of the construction cost.

13.19 NON-DISCRIMINATION AND AFFIRMATIVE ACTION

- 13.19.1 The Concessionaire certifies and agrees that all persons employed by it, its affiliates, subsidiaries or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 13.19.2 The Concessionaire shall certify to and comply with the provisions of Exhibit C, Concessionaire's EEO Certification.
- 13.19.3 The Concessionaire shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 13.19.4 The Concessionaire certifies and agrees that it will deal with its subcontractors, bidders and vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 13.19.5 The Concessionaire certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person

shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any other project, program, or activity supported by this Agreement.

13.19.6 The Concessionaire shall allow County representatives access to the Concessionaire's employment/volunteer records during regular business hours to verify compliance with the provisions of this Sub-Paragraph 13.19 when so requested by the County.

13.19.7 If the County finds that any provisions of this Sub-Paragraph 13.19 have been violated, such violation shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Concessionaire has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by County that Concessionaire has violated the anti-discrimination provisions of this Agreement.

13.19.8 The parties agree that in the event Concessionaire violates the non-discrimination provisions of this Agreement, County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code 1671 as liquidated damages in lieu of canceling, terminating or suspending this Agreement.

13.20 NOTICE TO EMPLOYEES REGARDING FEDERAL EARNED INCOME CREDIT

The Concessionaire shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015, Exhibit E.

13.21 NOTICES TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Concessionaire shall notify and provide to its employees, and shall require each subcontractor notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit F of this Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

13.22 NOTICES

Any notice required to be given under the terms of this Agreement or any law applicable thereto may be: (1) delivered by personal service; facsimile or email or (2) placed in a sealed envelope, with postage paid, return receipt requested, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub-post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service. The address to be used for any notice served by mail upon Concessionaire shall be Talking Horse Equestrian Center, Inc., Attention: Mark Blakey, 635 South First Avenue, Covina, California 91723, or such other place as may hereafter be designated in writing to the Director by the Concessionaire. The address to be used for any notice served by mail upon County shall be 301 North Baldwin Avenue, Arcadia, CA 91007, Attention: Contracts, Golf and Special Districts Division, or such other place as may hereafter be designated in writing to Concessionaire by the Director. Service by mail; facsimile or email and shall be deemed complete upon deposit in the above mentioned manner.

13.23 PUBLIC RECORDS ACT

13.23.1 Any documents submitted by Concessionaire; all information obtained in connection with the County's right to audit and inspect Concessionaire's documents, books, and accounting records pursuant to Paragraph 6.0 of this Agreement; as well as those documents which were required to be submitted in response to the solicitation process for this Agreement, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order of court of competent jurisdiction.

13.23.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Concessionaire agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in any action or liability arising under the Public Records Act.

13.24 RECYCLED BOND PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Concessionaire agrees to use recycled-content paper to the maximum extent possible on this Agreement.

13.25 RIGHT OF ENTRY

- 13.25.1 Any officers and/or authorized employees of the County may enter upon the Concession Premises at any and all reasonable times for the purpose of determining whether or not Concessionaire is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of the County within the concession premises.
- 13.25.2 In the event of an abandonment or discontinuance of operations for a period in excess of five (5) days, Concessionaire hereby irrevocably appoints County as an agent for continuing operation of the use granted herein, and in connection therewith authorizes the officers and employees thereof to (1) take possession of the concession premises, including all improvements, equipment and inventory thereon; (2) remove any and all persons or property on said concession premises and place any such property in storage for the account of and at the expense of Concessionaire; (3) sub agreement or sublicense the concession premises; and (4) after payment of all expenses of such subleasing or sublicensing, apply all payments realized therefrom to the satisfaction and/or mitigation of all damages arising from Concessionaire's breach of this Agreement. Entry by the officers and employees of County upon the concession premises for the purpose of exercising the authority conferred hereon as agent of Concessionaire shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Agreement.
- 13.25.3 No re-entry or taking of the concession premises by County pursuant to Sub-Paragraph 13.25.2 of this section shall be construed as an election to terminate this Agreement unless a written notice of such intention is given to Concessionaire or unless the termination thereof be decreed by a court of competent jurisdiction.

13.26 SEVERABILITY

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall not be affected thereby and shall remain in full force and effect.

13.27 SUBLICENSES

13.27.1 Concessionaire shall not, without the prior written consent of the Director, sublicense any portion of the Concession Premises, or sublicense any of the operation or activities authorized or required by this Agreement.

13.27.2 In the event the County determines that the Concessionaire has violated the sublicense provision contained herein, the same shall constitute a material breach of Agreement upon which the County may determine to cancel, terminate, or suspend this Agreement, or assess liquidated damages. The parties agree that it would be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Concessionaire to comply with the sublicense provision. The parties hereby agree that under the current circumstances a reasonable estimate of such damage is One Thousand Dollars (\$1,000.00) and that the Concessionaire shall be liable to County for liquidated damages in said amount.

13.28 SURRENDER OF CONCESSION PREMISES

13.28.1 Upon termination, expiration of the term hereof, or cancellation thereof as herein provided, Concessionaire shall peaceably vacate the concession premises and any and all improvements located thereon and deliver up the same to County in a reasonably good condition, ordinary wear and tear excepted, subject to the right of County to demand removal thereof to the

extent that Paragraph 13.28.2 hereinbefore may be applicable thereto.

13.28.2 Upon expiration of the term, Concessionaire shall execute and deliver to County within thirty (30) days after service of written demand, a good and sufficient quitclaim deed of the Concessionaire's interest in this Agreement and the concession premises. Should Concessionaire fail or refuse to deliver to County a quitclaim deed as aforesaid, a written notice by County reciting the failure of the Concessionaire to execute and deliver the quitclaim deed shall, after ten (10) days from the date of recordation of the notice, be conclusive evidence against Concessionaire and all persons claiming under Concessionaire, of the termination of this Agreement.

13.29 TAXES AND ASSESSMENTS

13.29.1 The property interest conveyed herein may be subject to real property taxation and/or assessment thereon, and in the event thereof, Concessionaire shall pay before delinquency all lawful taxes, including, but not limited to possessory interest taxes, assessments, fees or charges which at any time may be levied by the State, County, City or any other tax or assessment-levying body upon the concession premises and any improvements located thereon.

13.29.2 Concessionaire shall also pay all taxes, assessments, fees and charges on goods, merchandise, fixtures, appliances and equipment owned or used therein.

13.30 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE

Failure of Concessionaire to maintain compliance with the requirements set for in Subsection 13.7 "Concessionaire's Warranty Of Adherence To County's Child Support Compliance Program" shall constitute a default by

Concessionaire under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which the county Board of Supervisors may terminate this Agreement pursuant to Subsection 13.2 "Cancellation".

13.31 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Failure of Concessionaire to maintain compliance with the requirements set forth in Paragraph 13.8, "Concessionaire's Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Concessionaire to cure such default with 10 days of notice shall be ground upon which County may terminate this contract and/or pursue debarment of Concessionaire, pursuant to County Cod Chapter 2.206.

13.32 TERMINATION FOR CONVENIENCE; SUSPENSION; REIMBURSEMENT ON NON-AMORTIZED FUNDS

The County and the Concessionaire agree that the Concessionaire shall make an initial capital investment under proposed Agreement for the Benefit of the County. The amount shall be amortized over the proposed term of the Agreement on a straight-line basis and for the purposes of the proposed Agreement, shall be tiered in one year segments by taking the total actual capital investment by the Concessionaire and then dividing by the actual term of the Agreement.

13.32.1 Termination for Convenience. Beginning the 5th year of the Agreement, this Agreement may be terminated, in whole or in part,

by County in its sole discretion for whatever reason. Termination of this Agreement hereunder shall be effected by delivery to Concessionaire of a written notice of termination for convenience from the Director specifying the extent to which performance is terminated and the date upon which such termination shall become effective. The date upon which such termination becomes effective shall be no less than one hundred eighty (180) days after notice.

13.32.2 Suspension. Beginning the 5th year of the term of the Agreement, the County, at its convenience, and without further liability, may suspend Concessionaire's performance under this Agreement, in whole or in part, by written notice to Concessionaire from the Director specifying the effective date and extent of the suspension.

Concessionaire shall immediately discontinue all services unless otherwise indicated by Director. In the event the entire Agreement is suspended and the period of suspension exceeds one (1) calendar year, this Agreement may be deemed terminated for the convenience at the option of either party, upon written notice to the other party.

13.32.3 Reimbursement of Non-Amortized Funds.

In the event that the County effects a notice for the termination for convenience clause as indicated in Paragraph 13.32.1 above, the County shall be required to pay the Concessionaire the unamortized costs of the Concessionaire's capital investment as set forth in this Paragraph 13.32.

13.33 TERMINATION FOR IMPROPER CONSIDERATION

13.33.1 County may, by written notice to Concessionaire, immediately terminate the right of Concessionaire to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Concessionaire, either directly or through an intermediary, to any County officer, employee or agent with the

intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the Concessionaire's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Concessionaire as it could pursue in the event of default by the Concessionaire.

13.33.2 Concessionaire shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County Manager charged with the supervision of the employee or to the Auditor-Controller's Fraud Hotline at (800) 544-6861 or to such other number as may be provided to Concessionaire in writing by County.

13.33.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

13.34 TERMINATION FOR INSOLVENCY

13.34.1 The County may terminate this Agreement forthwith in the event of the occurrence of any of the following:

- Insolvency of the Concessionaire. The Concessionaire shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Concessionaire is insolvent within the meaning of Federal Bankruptcy Code;

- To the extent permitted by law, the County may terminate this Agreement forthwith in the event of the occurrence of any of the following:
 - The filing of a voluntary or involuntary petition regarding the Concessionaire under the Federal Bankruptcy Code;
 - The appointment of a Receiver or Trustee for Concessionaire;
- 13.34.2 The rights and remedies of County provided in this Sub-Section 13.34 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

13.35 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

Concessionaire and each County Lobbyist or County Lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Concessionaire, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code 2.160. Failure on the part of Concessionaire or any County Lobbyist or County lobbying firm retained by Concessionaire to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Agreement upon which County may immediately terminate or suspend this Agreement.

13.36 TERMINATION UPON TRANSFER OF TITLE OR PARK CLOSURE

13.36.1 Notwithstanding any other provision of this Agreement, in the event the County transfers its interest in the Frank G. Bonelli Regional Park and the concession premises to a governmental agency (assignee), the County reserves the right to: terminate this Agreement; or provided there is consent by an assignee, assign the County's interest in this Agreement to said assignee. County shall provide the Concessionaire with notice of termination or assignment of this Agreement pursuant to this provision.

13.36.2 Notwithstanding any other provision of this Agreement, in the event the County closes the Frank G. Bonelli Regional Park, this Agreement shall be terminated upon the effective date of such closure. Upon the effective date of park closure, Concessionaire shall immediately cease its operations, and within fifteen (15) days therefrom remove all items of its personal property, equipment, and inventory. County shall provide advance notice to the Concessionaire of such park closure.

13.37 TRANSFERS

13.37.1 Concessionaire shall not, without written consent of the Director, transfer, assign, sublicense, hypothecate or mortgage this Agreement. Any attempted transfer, assignment, sublicense, hypothecation or mortgage without the written consent of the Director shall be null and void, and shall constitute a material breach of this Agreement.

13.37.2 Each and all of the provisions, agreements, terms, covenants and conditions herein contained to be performed by Concessionaire shall be binding upon any transferee thereof.

13.37.3 The use granted shall not be transferable by testamentary disposition or the State laws of interstate succession, as the rights, privileges, and use conferred by this Agreement shall terminate prior to the date for expiration thereof in the event of the death of Concessionaire occurring within the term herein provided. Additionally, neither this Agreement nor any interest therein shall be transferable in proceedings in attachment or execution against Concessionaire, or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against Concessionaire, or by any process of law including proceedings under Chapter X or XI of the Bankruptcy Act.

- 13.37.4 Shareholders and/or partners of Concessionaire may transfer, sell, exchange, assign or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment or divestment is affected in such a way as to give majority control of Concessionaire to any persons, corporation, partnership or legal entity other than the majority controlling interest therein at the time of the execution of this Agreement, the Director's approval thereof shall be required. Consent to any such transfer shall be refused if the Director finds that the transferee is lacking in experience and/or financial ability to conduct the operation of the Frank G. Bonelli Regional Park Equestrian Center.
- 13.37.5 The prohibition herein contained shall not be applicable with respect to transfers of this Agreement arising from the exercise of a power of sale or judicial foreclosure pursuant to the terms and conditions of a hypothecation or mortgage previously approved by the Director.
- 13.37.6 In the event Concessionaire submits a request for Director's prior written consent to give, assign, transfer, delegate, or grant control of this Agreement, and Director gives written consent, a transfer fee equal to twenty percent (20%) of the gross sales price shall be paid to County. Said sum shall be payable to County in full either within thirty (30) days after said consent is given or prior to the close of any escrow, whichever occurs first. Prior to Director's consent to such assignment, the assignor shall first deliver to assignee a written schedule of all sums due and owing to County from the assignor with such schedule in a form subject to the approval of the Director in all respects, and second, shall deliver to Director, as part of the acceptance of the assignment, a written acknowledgment by the assignee that the assignee (a) affirms the

sums due and owing to County and (b) accepts responsibility for payment of such sums directly to County. Exempted from said transfer fee shall be the following:

- a. A transfer of an undivided interest in the agreement between affiliated entities which results in a change in method of holding title, but does not result in a change to the proportional interests held by the affiliated entities prior to the transfer;
- b. An assignment which serves as security for the repayment of a loan from any lender, but which does not entitle the assignee to an immediate right to use, occupy, possess or receive the rents or profits from the agreement for so long as the assignor makes the required periodic payments and complies with other provisions of the loan;
- c. Such other assignment for which the Director, in his sole discretion, determines that the ownership interests in the agreement have remained unchanged, such as a change in the legal or fictitious name of the Concessionaire without any other change in the equity, in beneficial use of, or legal title to the agreement as an asset, or the income produced thereby. The Director's decision in such cases shall be appealable to the Board of Supervisors within ten (10) days after receipt of written notice of the Director's decision. Any such appeal request shall be accompanied by a Certificate of Deposit filed with the Director in the full amount of the transfer fee; the Certificate of Deposit shall be payable to County, and the interest thereon shall accumulate, but the principal sum and interest shall remain the property of Concessionaire in the event the Director's decision is reversed.

13.38 WAIVER

- 13.38.1 Any waiver by County of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of County to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this Agreement or stopping County from enforcing the full provisions thereof.
- 13.38.2 No delay, failure, or omission of County to re-enter the concession premises or to exercise any right, power, privilege or option, arising from any default, nor any subsequent acceptance of payments then or thereafter accrued shall impair any such right, power, privilege or option, or be construed as a waiver of or acquiescence in such default or as a relinquishment of any right.
- 13.38.3 No notice to Concessionaire shall be required to restore or revive "time of the essence" after the waiver by County of any default.
- 13.38.4 No option, right, power, remedy or privilege of County shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given County by this Agreement shall be cumulative.

13.39 WARRANTY AGAINST CONTINGENT FEES

- 13.39.1 The Concessionaire warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon any Agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Concessionaire for the purpose of securing business.

13.39.2 For breach of this warranty, the County shall have the right to terminate this Agreement and, at its sole discretion, deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

14.0 CHANGES AND AMENDMENTS

14.1 The County's Board of Supervisors or its designee may require the addition and/or change of certain terms and conditions in the Agreement during the term of this Agreement. The County reserves the right to add/or change such provisions as required by the County's Board of Supervisors. To implement such orders, an Amendment to the Agreement shall be prepared and executed by the Director and Concessionaire.

14.2 Notwithstanding the above, this document may be modified only by further written agreement between the parties. Any such modification shall not be effective unless and until executed by Concessionaire and in the case of County, until approved by the Chairman of the Board of Supervisors.

15.0 COUNTY'S SMOKING BAN ORDINANCE

This Agreement is subject to the provisions of the County's ordinance entitled Los Angeles County Code Title 17, Parks, Beaches, and Other Public Places, prohibiting smoking at County Parks ("Smoking Ban Ordinance") as codified in Sections 17.04.185 through 17.04.650 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made part of this Agreement.

16.0 ENTIRE AGREEMENT

This document and the Exhibit(s) attached hereto constitute the entire agreement between County and Concessionaire for the use granted at the Frank G. Bonelli Regional Park for the operation of an Equestrian Center. All other agreements,

promises and representations with respect thereto, other than contained herein, are expressly revoked, as it has been the intention of the parties to provide for a complete integration within the provisions of this document, and the Exhibit(s) attached hereto, the terms, conditions, promises and covenants relating to the operation of a festivals and fairs concession and the Concession Premises to be used in the conduct thereof. The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render the other provisions thereof unenforceable, invalid or illegal.

17.0 AUTHORIZATION WARRANTY

Concessionaire represents and warrants that the signatory to this Agreement is fully authorized to obligate Concessionaire hereunder and that all corporate acts necessary to the execution of this Agreement have been accomplished.

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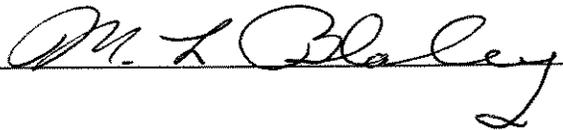
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IN WITNESS WHEREOF, Concessionaire has executed this Concession Agreement, or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Agreement to be executed on its behalf by the Chair of said Board and attested to by the Executive Officer-Clerk of the Board of Supervisors thereof, the month, the day and year first above written.

COUNTY OF LOS ANGELES

By _____
Gloria Molina
Chair, Board of Supervisors

CONCESSIONAIRE
Talking Horse Equestrian Center, Inc.

By 

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors
for the County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By 
Christina A. Salseda, Principal Deputy

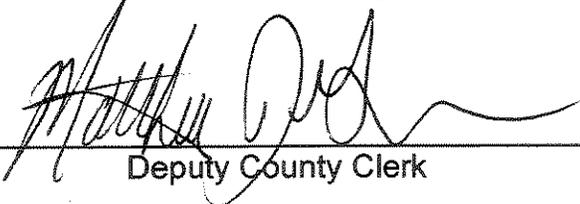
STATE OF CALIFORNIA }
 }
 } s.s.
COUNTY OF LOS ANGELES }

On this 27TH day of October, 2010, before me, Dean C. Logan, the Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared Mark Blakey, as the President of Talking Horse Equestrian Center, Inc. personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that the person executed the same in his/her authorized capacity, and that by his/her signature on the instrument the Corporation upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



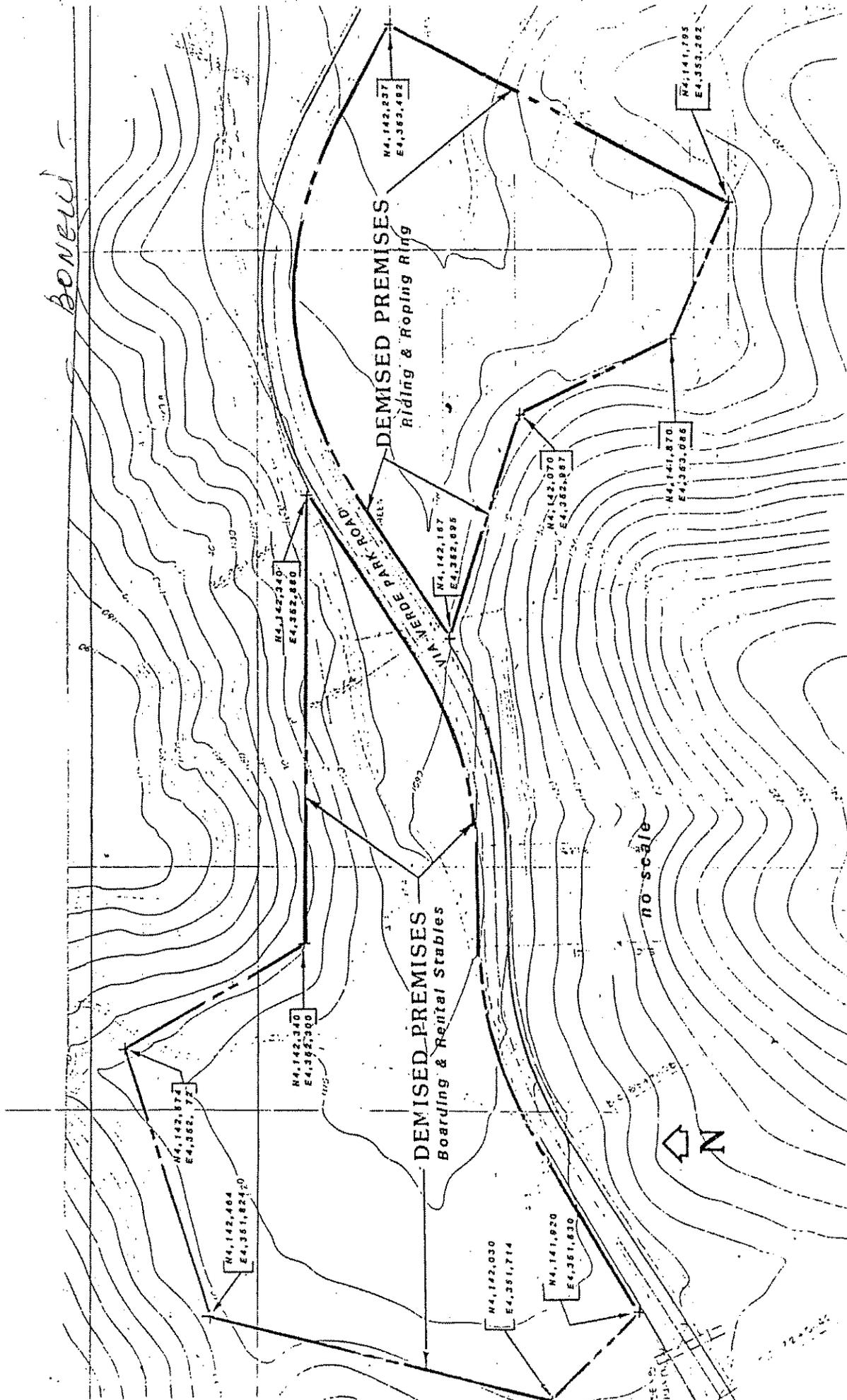
Dean C. Logan
Registrar-Recorder/County Clerk
County of Los Angeles

By  _____
Deputy County Clerk



Frank G. Bonelli Regional Park
County of Los Angeles Department of Parks and Recreation

EQUESTRIAN CENTER
BONELLI REGIONAL PARK



CAPITAL PROJECTS MATRIX BONELLI EQUESTRIAN

EXHIBIT B

Est. Total: \$ 472,812 1-15 yrs.			
County's Minimum Requirements	Timeline	Talking Horse Proposal	Actual Cost
		Final completion Date	
	Yr 1	Est. Cost \$98,200	
Horse Stall Renovations Meet		1. Horse Stall Renovations- to include inspect, clean & repair Mare Motel, 2 shed rows, box stalls, walk outs in the barn and rental building	
Horse Stall Renovations-Meet		2. Remove old stalls, old arena, sheds & outbuildings	
Horse Stall Renovations-Meets		3. Remove 22 stalls with 27 new stalls 12'x 24'	
Upgrade Electrical-Meets		4. Install electrical to mare motel	
Upgrade Arena - Meets		5. Upgrade and replace arena 70'x150'	
Upgrade Wash Racks-Meets		6. Install hot/warm water to existing wash racks	
		Est. Completion Date: March 15, 2011	
	2011-2012	Est. Cost: \$59,525	
		1. Build covered farrier pad with lighting and water.	
Upgrade electricals - Meets		2. Add three pole lights throughout the complex.	
Upgrade Arena - Meets		3. Replace No. 1 60' round pen with new materials.	
Upgrade Arena - Meets		4. Install 80' round pen	
Upgrade Meets		5. Build parking shed with tractor and equipment storage area.	
Install Split Railing Fencing - Meets		6. Make fence changes to parking area	
Upgrade Arena		7. Repair roping arena and adding fencing.	

CAPITAL PROJECTS MATRIX BONELLI EQUESTRIAN

EXHIBIT B

County's Minimum Requirement	Timeline	Talking Horse Proposal	Actual Cost	Final completion Date
		Est. Completion Date: January 31, 2013		
		2012-2013 Est. Cost: \$74,550		
Upgrade arena - Meets	Yr 2 - 3	1. Complete roping arena No. 2 (1/2)		
Install split railing fencing - Meets		2. Add fence to the perimeter of the premises.		
Install split railing fencing - Meets		3. Relocate gate and clean parking area.		
Upgrade stalls -		4. Replace 12 stalls 12' x 24' near the tack rooms.		
Install split railing fencing - Meets		5. Install front gate		
Meets		6. Install new sign		
Add landscape - Meets		7. Landscape the area		
		Est. Completion Date May 15, 2013		
		2013-2014 Est. Cost: \$74,200		
Meets		Rental string cover for the horses tying area and ties.		
Meets		New rental office with ADA accessible bathrooms		
Meets		Replace last 60' round pen with new round pen material		
Meets		Landscape/refurbish picnic area		
		Est. Completion Date: May 15, 2014		
		2014-2015 Est. Cost \$25,675		
		Add three additional wash racks w/heated water		
		Paint the barn		
		Expand the hay barn and make needed repairs		
		Est. Completion Date: Feb, 15, 2015		

CAPITAL PROJECTS MATRIX BONELLI EQUESTRIAN

EXHIBIT B

County's Miniumum Requireme	Timeline	Talking Horse Proposal	Actual Cost	Final completion Date
	2014-2016 Est. Cost \$64,375			
Meets		Replace Mare Motel with new mare motel with the same size staff, 12' X 24' in the same location		
	Est. Completion Date: Dec. 31, 2015			
	2016-2017 Est. Cost \$31,412			
Meets		Replace 7 stalls shed row to the east of the mare motel with the same stall, 12' x 24' in the same location		
	Est. Completion Date: Dec. 31, 2016			
	2016-2017 Est. Cost \$44,875			
Meets		Replace 10 stalls shed row to the east of the mare motel with the same stall, 12 'x 24' in the same location		
	Est. Completion Date: Dec. 31, 2017			

EXHIBIT C

PROPOSER'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Talking Horse Equestrian Center, Inc.
Proposer's Name

635 S. First Ave., Covina, CA 91723
Business Address

27-2281270
Internal Revenue Service Employer Identification Number

GENERAL

In accordance with *Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000e through 2000e-17, Section 504 of the Rehabilitation Act of 1975, the Food Stamp Act of 1977, the Welfare and Institutions Code Section 1000, Americans with Disability Act of 1990, California Department of Social Services Manual of Policies and Procedures Division 21, the Contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, creed, color, national origin, political affiliation, marital status, age, disability, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.*

PROPOSER'S CERTIFICATION

- Check One**
1. The Proposer has a written policy statement prohibiting discrimination in all phases of employment. Yes [] No
 2. The Proposer periodically conducts a self analysis or utilization analysis of its work force. Yes [] No
 3. The Proposer has a system for determining if its employment practices are discriminatory against protected groups. Yes [] No
 4. Where problem areas are identified in employment practices, the Proposer has a system for taking reasonable corrective action which includes the establishment of goals and timetables. Yes [] No

Name (please print or type) Talking Horse Equestrian Center, Inc.

Title of Signer (please print or type) Mark Blakey, President

Signature  Date 6/28/10

**EXHIBIT D
PUBLIC SERVICES AND ACTIVITIES**

Service/Activity	Estimated Start Date
Boarder Services (optional services) Blanketing/unblanketing Horse holding for shoer/vet Worming or daily medicating Turnout Hand walking Grooming Clipping Transportaion Shavings Lounging and Exercising	12/1/2010
Trail Rides	end of the 1st year
Riding Lessons	
Boarders	12/1/2010
Non-Boarders	2/1/2011
Roping, Penning	end of the 3rd year
Facility Rentals - shows	end of the 3rd year
Horse Camps	summer 2011
Horse Clinics - quarterly	summer 2011
Horse Sales	summer 2011
Food & Non-Alcoholic Beverages	start of the 2nd year
Therapuetic Riding Program	end of the 3rd year
Customer Satisfaction	12/1/2010



Notice 1015

(Rev. December 2009)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2009 are less than \$48,279 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 8, 2010.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice from the IRS website at www.irs.gov or by calling 1-800-829-3676.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see Pub. 596, Earned Income Credit (EIC), or the instructions for Form 1040, 1040A, or 1040EZ.

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2009 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2009 and owes no tax but is eligible for a credit of \$829, he or she must file a 2009 tax return to get the \$829 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2010 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

EXHIBIT F

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



EXHIBIT F

In Los Angeles County: 1 877 BABY SAFE 1 877 222 9723

www.babysafela.org

Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

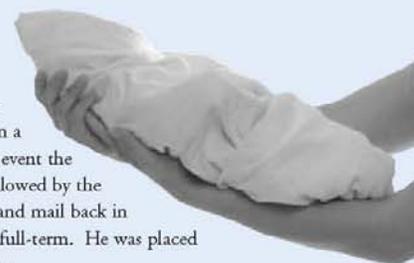
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



EXHIBIT F

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



EXHIBIT G
Title 2 ADMINISTRATION
Chapter 2.206 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

2.206.010 Findings and Declarations.

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.
- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.
- G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

EXHIBIT G
Title 2 ADMINISTRATION
Chapter 2.206 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.040 Required Solicitation and Contract Language.

All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within 10 days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

- A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.
- B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

EXHIBIT G
Title 2 ADMINISTRATION
Chapter 2.206 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

2.206.060 Exclusions/Exemptions.

- A. This chapter shall not apply to the following contracts:
1. Chief Executive Office delegated authority agreements under \$50,000;
 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
 3. A purchase made through a state or federal contract;
 4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
 5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
 6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.
 7. Program agreements that utilize Board of Supervisors' discretionary funds;
 8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
 9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
 10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
 11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
 12. A non-agreement purchase worth a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or

EXHIBIT G

Title 2 ADMINISTRATION

Chapter 2.206 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
 14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and Remedies.

- A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.
- B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.
- C. For Contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:
 1. Recommend to the Board of Supervisors the termination of the contract; and/or,
 2. Pursuant to chapter 2.202, seek the debarment of the contractor; and/or,
 3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. No. 2009-0026 § 1 (part), 2009.)

ORDINANCE NO. _____

An ordinance amending Title – 17 Parks, Beaches and Other Public Places, to prohibit smoking in parks.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 17.04.035 is hereby added to read as follows:

17.04.035 Contract-operated facilities.

"Contract-operated facilities" means parks, which are operated, controlled, or maintained, in whole or in part, pursuant to an agreement with a lessee, concessionaire, operator, contractor, or vendor, for the purpose of providing recreational services to the public.

SECTION 2. Section 17.04.185 is hereby added to read as follows:

17.04.185 Smoking.

"Smoke" or "smoking" shall have the meaning as set forth in Section 11.64.020(B) of this code.

SECTION 3. Section 17.04.645 is hereby added to read as follows:

17.04.645 Smoking Prohibited.

Smoking shall be prohibited at all parks, except:

1. Smoking shall be permitted by actors who are acting during a permitted production or by models during a permitted photography session, unless otherwise determined by the Director, in consultation with the applicable Fire Official; and

2. Smoking shall be permitted within contract-operated facilities, in designated areas, at the discretion of the Director, in consultation with the operators of said facilities.

[1704035CSCC]